

SECTION I

SUPPLIES OR SERVICES AND PRICES

TAX COLLECTION SERVICES

1. GENERAL

This Request for Quotes (RFQ) is issued in accordance with the General Services Administration's Debt Collection Services schedule. The Internal Revenue Service ("IRS" or "Service") will issue task orders to as many as 10 large business concerns and approximately 2 awards to small business concerns to provide tax collection services as described in Section II, item (j), Statement of Work (SOW) – TAX COLLECTION SERVICES.

Each Contractor selected under this RFQ shall furnish all management, supervision, personnel, facilities, equipment, material, supplies and services (except as may be furnished by the Government) and otherwise do all things necessary for, or incidental to, the performance and provision of the work described in the SOW and elsewhere in the contract.

The rates (see Attachment 1, Pricing Schedule), inclusive of all direct and indirect costs (salaries, fringe benefits, overhead, general and administrative expenses, report preparation costs, etc.) and profit, are applicable for the specified contract period of performance.

Should the IRS exercise any option hereunder, all contract terms and conditions shall apply during the option period and shall be performed at the prices set forth in the schedule as may be amended from time to time as described herein.

1.1 TYPE OF ORDER

The IRS will issue orders on a fee-for-service basis. Fees will be paid at the rate specified in Attachment 1, Pricing Schedule, and shall apply to the 24-month base period as well as the two (2) 24-month option periods.

2. TERMS AND CONDITIONS

The resultant order is subject to all the terms and conditions of the Contractor's GSA Financial and Business Solutions (FABS) contract, including and as appended by the clauses contained herein.

3. TARGET RATES

The Government has established target rates for this solicitation. Target rates are rates the IRS believes will provide the greatest net collections and favorable balanced metric scorecard results based upon available information and preliminary bid information. The target rates are contained in Attachment 1, Pricing Schedule.

4. PRICING SCHEDULE

Commissions and Fees shall be fixed for the price categories listed in Attachment 1, Pricing Schedule and shall apply to the base period and the option year periods as described in Attachment 1, Pricing Schedule.

5. PRICING and INVENTORY DESCRIPTION

5.1 PRICING SCHEDULE

Fees for collections and administrative resolutions shall be paid to the Contractor at the negotiated rates specified in Attachment 1, Pricing Schedule.

When the IRS refers a taxpayer's account to a Contractor for collection, that debt will include the amount of the debt owed and the Contractor's commission rate for that account, stated as a percentage (%). The dollars eligible for Contractor commissions are the "dollars collected" as defined in Attachment 5. The Contractor shall receive commission on any payment received 5 calendar days or more after the date the account is transferred to the Contractor, and up to 5 calendar days after the date the account is returned to the Government.

When the Contractor collects less than the total amount of the debt referred, the commission fee is calculated based on eligible dollars collected and applied to accounts. When the debt is collected in installments, the commission fee will be paid to the Contractor based on the eligible dollars collected and applied to accounts for each installment payment.

A commission will not be paid for the following ("non – commissionable dollars"):

- a) Dollars received by the Government within five calendar days after the Government transferred the account to the Contractor;
- b) Unidentified payments, i.e., payments that cannot be matched and posted to a debtor's account within the Contractors inventory of accounts;
- c) Dollars collected in excess of an individual's balance, resulting in overpayment by the debtor;

- d) Dollars received on any account more than five calendar days after the account was returned to the Government except as specifically described within this agreement; or
- e) Dollars received through Federal, State or local administrative, tax refund, salary, Treasury offset, Federal Levy payment or other type of offset or other administrative action which results in the reduction or elimination of the debt in a manner beyond the scope of the Contractor's performance.
- f) Payments that have been applied to a taxpayer's account that are not honored for payment by the financial institution that they were drafted from.
- g) Payments made prior to the placement of the taxpayer's account with the Contractor that are located elsewhere within IRS control and subsequently applied to the taxpayer's account.

5.2 COMMISSION ADJUSTMENTS

The IRS retains the right to deduct from any of the Contractor commissions due under this task order an amount equal to the amount of loss to the Government on any commitment made to a taxpayer outside of approved authority or inconsistent with the standards set forth in the Statement of Work or inconsistent with the guidelines provided by the IRS. The amount deducted from the Contractor's commission shall not exceed the actual loss to the Government.

5.3 INVENTORY

The IRS will place cases where a tax liability has been established for a taxpayer through the voluntary or non-voluntary filing of a return, or a tax delinquency exists for one or more tax periods. The Government does not warrant the volume, dollar levels or composition of the inventory placed for collection, the number of cases resulting in administrative resolutions, liquidation rates, or any other performance information that may be provided as part of the RFQ process.

To facilitate proposal preparation, the IRS has provided inventory tables that describe the segments and volumes under consideration. These reports are provided for informational purposes only and are no guarantee of actual segmentation or volumes that potentially will be placed under resultant contracts. The estimated inventory composition is provided in Attachment 3, Inventory Report. Cases are segregated by taxpayer type, (business operating division), age, and balance range. The composition of the initial inventory placed may change, as the actual inventory will be selected during the 60-day period prior to initial placement.

The IRS plans to stagger the implementation in order to provide better control and customer service to the Contractors. IRS will place cases initially (for approximately 6 months) with no more than 5 collection agencies, adding the remaining Contractors into the program no later than 1 year from initial placements. The Performance Matrix will be adjusted accordingly for Contractors joining the program after the initial 5 Contractors. Initial volume estimates are 50,000 total cases per month for the first 3 months after initial placement for the 5 task orders issued, with the remaining awarded collection agencies added at a six month time interval. The IRS will place accounts as frequently as daily and ongoing over the course of the contract performance period. The IRS anticipates a run rate of 2.6 million total cases annually by the time all agencies have been operational for one complete year. A revised volume forecast will be provided within 30 days of contract award and Contractors will be provided updates as changes are identified. Actual inventory and rate of placements will be dependent on a number of factors which will include Contractor performance, ability to manage new inventory, quality control, volume of cases referred to the IRS for review and readiness of **IRS Contractor Support management**. The IRS reserves the right to modify the actual placement volume up or down at its discretion and makes no warranty as to actual placement volume.

5.4 PLACEMENT PERIOD

Account placements will be delivered to an individual Contractor for a period of 12 months on Primary placements and 18 months on Secondary placements. This period can be extended provided an acceptable payment has been received within 60 days of the scheduled recall date. The Contractor has the right to voluntarily return a case after six months on Primary placements and 12 months on Secondary placements as uncollectible although the number of returned cases will continue to be calculated in the Contractor's performance and bonus determination.

5.5 RECALL OF TAXPAYER ACCOUNTS

Taxpayer accounts will be automatically recalled after 12 months for Primary placement and after 18 months for Secondary placements unless the account condition warrants continued work efforts by the Contractor assigned the case. Conditions that would warrant an extension of the placement period may include:

- Acceptable payment within 60 days prior to recall date
- Approval from COTR or their designee

The IRS reserves the right to request a return of a case at any time upon notice to a Contractor. Upon request, the Contractor shall return the case to the IRS within 2 business days and cease all account activity immediately. Recalled cases will not be replaced with additional placements.

SECTION II

CONTRACT TERMS AND CONDITIONS

1. FAR 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the contracting officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address (es): <http://www.arnet.gov/far>

NUMBER	TITLE	DATE
52.212-4	CONTRACT TERMS AND CONDITIONS – COMMERCIAL ITEMS	FEB 2002
52.212-5	CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS – COMMERCIAL ITEMS	MAY 2002
52.216-18	ORDERING	OCT 1995
	<ul style="list-style-type: none"> At paragraph (a) insert: <u>the date of contract award through the last day of the 12th month from the date of contract award.</u> 	
52.216-19	ORDER LIMITATIONS	OCT 1995
	<ul style="list-style-type: none"> At paragraph (a) insert: <u>\$1,000 in tax related collection debt</u> At paragraphs (b)(1) and (b)(2) insert: <u>for SIN 520-4, \$25,000,000 estimate for any specific contract period of performance (base and any exercised option period)</u> At paragraph (b)(3) insert: <u>the contract period of performance (base and any exercised option period)</u> At paragraph (c) insert: <u>FIVE (5) BUSINESS</u> 	
52.217-8	OPTION TO EXTEND SERVICES	NOV 1999
52.217-9	OPTION TO EXTEND THE TERM OF THE CONTRACT	MAR 2000
	<ul style="list-style-type: none"> At paragraph (a) insert: <u>30 days of contract expiration);</u> At paragraph (c) insert: <u>72 months).</u> 	

52.224-1 PRIVACY ACT NOTIFICATION APR 1984

52.224-2 PRIVACY ACT APR 1984

In accordance with 52.224-2 PRIVACY ACT (APR 1984), the Privacy Act of 1974, as amended (5 USC 552a), systems of records that will be disclosed during any task order period of performance are:

- IRS 26.019 Tax Delinquent Account (TDA) file, and
- IRS 26.020 Tax Delinquent Investigation (TDI) file.

52.232-18 AVAILABILITY OF FUNDS APR 1984

**52.232-19 AVAILABILITY OF FUNDS FOR THE
NEXT FISCAL YEAR APR 1984**

- insert (dates to be determined at time of contract award)

52.244-2 SUBCONTRACTS AUG 1998

52.244-5 COMPETITION IN SUBCONTRACTING DEC 1996

2. ADDENDA TO FAR 52.212-4:

a. Subparagraph (i) PAYMENT: The following clause is applicable to this contract: 52.232-35 Designation of Office for Government Receipt of Electronic Funds Transfer Information (see Section II, item 13(a) for the full text of this clause).

b. Subparagraph (s)(1): See Section I – SUPPLIES OR SERVICES AND PRICES

c. Subparagraph (s)(4):

(1) CONTRACTOR PUBLICITY (DTAR 1003.57, amended)

The provisions of 31 USC 333 prohibit the use of the words 'Federal Government', 'US', 'United States', 'Internal Revenue Service', 'IRS', 'Department of the Treasury' or 'Treasurer of the United States' or the title of any other Treasury or IRS Employee, or any abbreviations or initials for any of the above, symbols or emblems in a manner which could reasonably be interpreted or construed as conveying the false impression that advertisements, solicitations, business activities or products are in any manner approved, endorsed, sponsored, or authorized by, or associated with, the Service, Department, its bureaus, officers or employees. All violations shall be referred to legal counsel.

The Contractor agrees not to refer to the instant award in commercial advertising in such a manner as to state or imply the product or service provided is endorsed or preferred by the Federal Government or is considered by the Government to be superior to other products or services.

Further, the Contractor shall not publicize, advertise, promote, issue news releases, etc., relating to this task order, or to the award of this task order, without first obtaining written approval by the Contracting Officer and COTR. Should any reference to such equipment or services appear in any news release or commercial advertising issued by or on behalf of the Contractor without such consent first being so obtained, the Government shall consider institution of all remedies available under the provisions of this contract.

(2) Non-Payment for Unauthorized Work - No payments will be made for any unauthorized supplies and/or services or for any unauthorized changes to the work specified herein. This includes any service performed by the Contractor of his own volition or at the request of an individual other than a duly appointed Contracting Officer. Only a duly appointed Contracting Officer is authorized to change the specifications, terms, and conditions in this contract.

(3) Type of Order - As a result of the solicitation, the Government contemplates award of an **indefinite delivery/indefinite quantity, task order** against the Contractor's existing contract under the General Services Administration's Federal Supply Schedule, Financial and Business Solutions, Special Item Number 520-4, Tax Collection Services.

(4) Contract Administration -

(a) Contracting Officer - The Contracting Officer for administration of this contract is:

TO BE DETERMINED AT AWARD

NAME: _____

ADDRESS: _____

E-mail : _____

Voice/Fax Numbers: _____

The Contracting Officer, in accordance with Subpart 1.6 of the Federal Acquisition Regulation, is the only person authorized to make or approve any changes in any of the requirements of this order, and notwithstanding any clauses contained elsewhere in this order, the said authority remains solely with the Contracting Officer. In the event the Contractor makes any changes at the direction of any person other than

the Contracting Officer, the change will be considered to have been made without authority and no adjustment will be made in the order price to cover any increase in cost incurred as a result thereof.

(b) Modification Authority - Notwithstanding any of the other provisions of this contract, the Contracting Officer shall be the only individual authorized to:

- accept nonconforming work;
- waive any requirement of this contract; or,
- modify any term or condition of this contract.

(c) Contracting Officer's Technical Representative - The Contracting Officer's Technical Representative (COTR) for this contract is:

TO BE DETERMINED AT AWARD

NAME: _____

ADDRESS: _____

E-mail : _____

Voice/Fax Numbers: _____

The COTR will represent the Contracting Officer in the administration of technical details within the scope of this contract. The COTR is also responsible for the final inspection and acceptance of all reports, and such other responsibilities as may be specified in the order. The COTR is not otherwise authorized to make any representations or commitments of any kind on behalf of the Contracting Officer or the Government. The COTR does not have authority to alter the Contractor's obligations or to change the order specifications, price, terms or conditions. If, as a result of technical discussions, it is desirable to modify order obligations or the statement of work, changes will be issued in writing and signed by the Contracting Officer. The Government, without prior notice to the Contractor, may change the COTR assignment for this order at any time. The Contractor shall be notified of the change.

(d) Technical Direction:

Performance of the work under this contract shall be subject to the technical direction of the COTR identified in Section II.2.c.4(c) above or their designee. The term "technical direction" is defined to include:

(1) Directions to the Contractor that redirect the contract effort, shift work emphasis between work areas or deliveries, required pursuit of certain lines of inquiry, fill in details or otherwise serve to accomplish the contractual Statement of Work.

(2) Provision of written information to the Contractor that assists in the interpretation of drawings, specifications or technical portions of the work description.

(3) Review and, where required by the contract, approval of technical reports, drawings, specifications and technical information to be delivered by the Contractor to the Government under the contract.

Technical direction must be within the scope of work stated in the contract. The COTR does not have the authority to, and may not, issue any technical direction that:

- (1) Constitutes an assignment of additional work outside the Statement of Work;
- (2) Constitutes a change as defined in the contract clause entitled "Changes";
- (3) Causes an increase or decrease in the total price or the time required for contract performance;
- (4) Changes any of the expressed terms, conditions or specifications of the contract; or
- (5) Interferes with the Contractor's right to perform the terms and conditions of the contract.

The Contractor shall proceed promptly with the performance of technical directions issued by the COTR and within his authority under the provisions of this clause. If, in the opinion of the Contractor, any instruction or direction by the COTR falls within one of the categories defined in (1) through (5) above, the Contractor shall not proceed but shall notify the Contracting Officer in writing within five (5) working days after receipt of any such instruction or direction and shall request the Contracting Officer to modify the contract accordingly. Upon receiving the notification from the Contractor, the Contracting Officer shall:

(1) Advise the Contractor in writing within thirty (30) days after receipt of the Contractor's letter that the technical direction is within the scope of the contract effort and does not constitute a change under the "Changes" clause of the contract;

(2) Advise the Contractor within a reasonable time that the Government will issue a written change order.

The failure of the Contractor and Contracting Officer to agree that the technical direction is within the scope of the contract, or a failure to agree upon the contract action to be taken with respect thereto shall be subject to the provisions of the clause

entitled "Disputes" of contract clause 52.212-4 CONTRACT TERMS AND CONDITIONS -- COMMERCIAL ITEMS, paragraph (d).

(e) Contractor Project Manager - The Contractor's designated Project Manager for this order is:

Name: _____
(Print/Type)

Voice & Fax Numbers: _____

E-mail Address: _____
(Offeror to complete and submit with offer)

The Contractor shall provide a Project Manager for this order that shall have the authority to make any no-cost order, technical, hiring and dismissal decisions, or special arrangement regarding this order. The Project Manager shall be responsible for the overall management and coordination of this order and shall act as the central point of contact with the Government. The Project Manager shall have full authority to act for the Contractor in the performance of the required services. The Project Manager, or a designated representative, shall meet with the COTR to discuss problem areas as they occur. The Project Manager or designated representative shall respond within four hours after notification of the existence of a problem. The Project Manager shall be able to fluently read, write, and speak the English language.

(f) Invoices - is modified to incorporate the following information:

1. REQUIRED CENTRAL CONTRACTOR REGISTRATION (JAN 2002)

The United States Department of the Treasury has adopted the Department of Defense's Central Contractor Registration database as its database for contractor information. (This clause does not apply to the Treasury Bureau known as the Comptroller of the Currency.) Accordingly, the following requirements apply to this contract.

(a) Definitions. As used in this clause --

- (1)** "Central Contractor Registration (CCR) database" means the primary Department of Defense (DoD) repository for contractor information required for the conduct of business with DoD.
- (2)** "Data Universal Number System (DUNS) number" means the 9-digit number assigned by Dun and Bradstreet Information Services to identify unique business entities.

- (3) “Data Universal Numbering System+4 (DUNS+4) number” means the DUNS number assigned by Dun and Bradstreet plus a 4-digit suffix that may be assigned by a parent (controlling) business concern. This 4-digit suffix may be assigned at the discretion of the parent business concern for such purposes as identifying sub-units or affiliates of the parent business concern.
 - (4) “Registered in the CCR database” means that all mandatory information, including the DUNS number or the DUNS+4, if applicable, is in the CCR database; the DUNS number has been validated; and all edits have been successfully completed.
- (b)
- (1) By submission of an offer, the offeror acknowledges the requirement that it must be registered in the CCR database prior to contract award, during performance, and through final payment of any contract resulting from this solicitation, except for awards to foreign vendors for work to be performed outside the United States.
 - (2) The offeror shall provide its DUNS or, if applicable, its DUNS+4 number with its offer, which will be used by the Contracting Officer to verify that the offeror is registered in the CCR database.
 - (3) Lack of registration in the CCR database will make an offeror ineligible for award of a Treasury contract.
 - (4) DoD has established a goal of registering an applicant in the CCR database within 48 hours after receipt of a complete and accurate application via the Internet. However, registration of an applicant submitting an application through a method other than the Internet may take up to 30 days. Therefore, offerors that are not registered should consider applying for registration immediately upon receipt of this solicitation.
- (c)
- The Contractor is responsible for the accuracy and completeness of the data within the CCR, and for any liability resulting from the Government’s reliance on inaccurate or incomplete data. To remain registered in the CCR database after the initial registration, the Contractor is required to confirm on an annual basis that its information in the CCR database is accurate and complete.
- (d)
- Following the Contractor’s initial registration in CCR and receipt of any Treasury Department (excluding the Comptroller of the Currency) award of a contract, purchase order, delivery order, task order, basic agreement, basic ordering agreement, or blanket purchase agreement, the Contractor must directly notify

the Contracting Officer of any of its changed mandatory business data in CCR within three business days of the change. (See the CCR Handbook at www.ccr.gov for the current mandatory registration data fields, or contact the CCR Assistance Center at 888-227-2423 or 616-961-4725.)

- (e) Offerors and contractors may obtain information on registration and annual confirmation requirements via the Internet at <http://www.ccr.gov>, from the Defense Electronic Business Program Office (Defense e-Business) at contact.ccr@us.pwcglobal.com, from the CCR Assistance Center at 888-227-2423 or 616-961-4725, from the Defense Logistic Information Service at dlis_support@dlis.dla.mil.
- (f) Contractors such as some consultants and sole proprietorships that are small firms that would otherwise have no use for a Dun & Bradstreet (D&B) number, may use an alternative D&B registration method. If needing a D&B number principally for CCR registration, such a Contractor should call D&B toll-free at 800/333-0505, and clearly state that it is a very small business and simply needs a DUNS number for the purpose of CCR registration.

2. Electronic Funds Transfer (EFT) Payments

Effective May 1, 2002, in order to receive payments under this contract/award, contractors are required to register in the Central Contractor Registration (CCR) database. Beginning October 1, 2002, CCR will be the primary database used to obtain contractor information for all Federal Government contracts. Contractors can complete the on-line CCR registration process by accessing <http://www.ccr.gov>. Annual renewal of a contractor's registration is a requirement. There are mandatory fields in CCR that need to be completed before the registration can become active. For example, contractor business, name, address, telephone, point of contact, business start date, Data Universal Numbering System (DUNS) number (plus 4 digits, if applicable), Taxpayer Identification Number (TIN) and the Electronic Funds Transfer (EFT) account numbers to permit receipt of electronic payments, are all mandatory fields. Registration via the Internet can generally be activated within 48 hours, if all the information is complete and accurate. Registration via another method can take up to 30 days.

The CCR web site contains information and a telephone number (800-333-0505) where a contractor can call to get an expedited DUNS number, in order to start the registration process. Contractors must obtain the EFT account numbers from its own financial institution, if not already known. Contractors will be ineligible for awards, if they are not registered in CCR, unless they meet an exception or apply for a waiver. Contractors requesting a waiver from CCR registration must apply via the Contracting Officer. Only the Bureau Chief Procurement Officer (BCPO) can approve a waiver from CCR registration and permit the award action, if the contractor is not registered in CCR.

Any contractor meeting an exception or obtaining a waiver from CCR registration is still required to get an EFT account in order to receive electronic payments, in accordance with the Debt Collection Improvement Act. Contractors shall then submit a completed Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Form (formerly SF 3881) directly to:

**Internal Revenue Service
Office of Financial Applications Support and Technology
P. O. Box 3339,
Cincinnati, Ohio 45201-3339
Or Fax to: (513) 263-5020**

The ACH Vendor/Miscellaneous Payment Enrollment Form can be obtained from the IRS Contracting Officer or from the IRS Office of Financial Applications Support and Technology, points of contact, Joan Aker or Nancy Estep at (513) 263-5069/5055, if not included in this solicitation/award.

In order for contractor invoices to be determined proper and payments made under applicable awards, contractor EFT information must be valid and current. Valid contractor EFT information must include the Agency information; the Payee/Company information including Taxpayer Identification Number (TIN); and the Contractor's financial institution information, including the nine-digit routing transit number, account type and account number. If the contractor is registered in CCR, changes can be made to its business profile at any time. Under this award, **if any changes are made to the mandatory business information in CCR, the contractor is required to notify the IRS Beckley Finance Office within three (3) business days.** Under this award, those contractors not registered in CCR but enrolled in EFT payments are also required to report any changes to their business information to the IRS Beckley Finance Office within three (3) business days. **Contractors can e-mail notification of their changed CCR and EFT business information directly to:**
CFOBFC.CCRPaymentinformation@irs.gov

Valid contractor EFT payment information is required in order for the Government to make any payment under this award. Invoices received prior to the receipt of valid EFT information shall be deemed improper for the purpose of prompt payment under this award and payments will be rejected or suspended.

Contractors may only request a waiver from EFT payments if they meet one of the criteria listed on the Request for Waiver of Electronic Funds Transfer (EFT) Payment Form. The waiver request form can be obtained via the Contracting Officer or the IRS Office of Financial Applications Support and Technology at telephone (513) 263-5069/5055 or e-mail Nancy.V.Estep@irs.gov or Joan.Aker@irs.gov. Waivers from EFT Payments are only granted by the IRS Office of Financial Applications Support and

Technology and contractors must obtain the waiver from EFT payments, prior to award being made.

3. IR1052-01-002 PAID System

Access On-line Payment Information. The U. S. Department of Treasury, Financial Management's Payment Advice Internet Delivery (PAID) system provides contractors with invoice payment information included with an Electronic Funds Transfer (EFT) payment made via the Automated Clearing House (ACH) payment system. PAID is free to contractors with Internet access.

Registration for the PAID system can be done on-line at <http://fms.treas.gov/paid/> (Note: no "www"). Register using your Taxpayer Identification Number (TIN) and then select a user ID, password, and a specific method of delivery. The PAID webmaster will verify your registration and notify you that your access has been activated within five (5) business days and confirm your acceptance by e-mail. Registered contractors can look up all payments, or search by invoice number, amount, date of payment and other remittance information, such as, interest penalty or discounts taken. Access is limited to your payment data and the information is available for 60 days beginning the day after your account has been activated. If you have any questions about payment information found on PAID, contact IRS, Beckley Finance Center at (304) 256-6000.

4. INVOICING AND PAYMENT – The Contractor shall submit the original invoice or voucher to the COTR, identified above. A copy of each invoice or voucher shall be forwarded to the Contracting Officer. Each invoice or voucher submitted shall include the following:

1. IRS Task Order Number and GSA Contract Number
2. Contractor Name and address
3. Date of Invoice
4. Invoice Number
5. Amount of Invoice
6. Period Covered by Invoice
7. Total Collected Amount(s) by separate fee for service category
8. Fee due for Total Collected Amount(s) by separate fee for service category
9. Number of Administrative Resolutions authorized for payment of a fee by category
10. Any adjustments to the invoice amount

5. TAXPAYER IDENTIFICATION NUMBER

In addition to the requirements at FAR 52.212-4(g)(1), *INVOICE*; for an invoice to be proper, it must also contain the Contractor's taxpayer identification number (TIN) / employer identification number (EIN).

6. RESPONSIBLE OFFICIAL (S) WHO CAN RECEIVE NOTIFICATION OF AN IMPROPER INVOICE AND ANSWER QUESTIONS REGARDING THE INVOICE

Indicate below the responsible official(s) who can receive notification of an improper invoice and answer question regarding the invoice.

NAME: _____
(Print/Type)

TITLE: _____

ADDRESS: _____

TELEPHONE NUMBER: _____

(Offeror to complete and submit with offer)

7. CONTRACTOR'S REMITTANCE OR CHECK MAILING ADDRESS

Indicate your firm's remittance or check mailing address below.

(Offeror to complete and submit with offer)

8. CONTRACT PAYMENT METHODS

Payments for amounts invoiced under this task order will be made by electronic funds transfer through the Automated Clearing House (ACH) to a designated financial institution. Electronic payment is absolutely mandatory.

Contractors are required to provide a completed Contractor Express Enrollment Form, SF 3881 (Payment Information Form, ACH Contractor Payment System) to the COTR prior to task order award, and to insure that all information is kept current throughout the life of the task order.

Under ACH, an addendum record will accompany each payment issued to the Contractor's bank. The Government will use the (CCD+) ACH payment format to transmit the payment and addenda records to the bank. The Contractor and bank must agree how and when the addendum information will be provided to the Contractor.

The following information will be sent to the Contractor's bank:

Payment date and amount

IRS Agency Identifier

Treasury Regional Finance Center that generates payments

Addendum Information (as appropriate)

*** (such as, but not limited to, invoice/contract number, interest penalty notice, additional reference information)

Addendum payment information from this agency will be structured as follows

Payment for one invoice

Payment for multiple invoices

9. TAXES: In addition to the requirements of FAR 52.212-4, paragraph (k), the following information is provided:

STATE AND LOCAL TAXES: In accordance with FAR 29.303 and FAR 31.205-41, the Contractor or any subcontractor under this contract shall not be reimbursed for payment of any State and local taxes for which an exemption is available. The Contractor is responsible for determining the availability of State and local tax exemptions and obtaining such exemptions, if available. The Contractor shall include this clause, suitably modified to identify the parties, in all subcontracts at any tier. The Contractor shall notify the Contracting Officer if problems arise in obtaining a State or local tax exemption. The Contractor may request a waiver, by the Contracting Officer, from this requirement if the administrative burden of seeking an exemption appears to outweigh the potential savings to the Government.

(g) Incorporation of Representations and Certifications - The Contractor's representations and certifications dated _____ **(To be completed at time of award)** are hereby incorporated into the contract by reference.

(h) Contract Period of Performance - The contract base period of performance will be for 24 months from the date of award. Additionally, the contract includes two 24-month option periods for the renewal of this effort, which may be unilaterally exercised at the discretion of the Government in accordance with FAR 52.217-9, **OPTION TO EXTEND THE TERM OF THE CONTRACT**.

(i) **Place of Performance** - The Contractor shall perform all work under this contract at:

(To be completed at time of award)

The Contractor shall be required to receive IRS approval prior to initiating work under this contract at any additional sites. If an additional site is approved or additional locations or space is allocated for IRS work at an existing IRS approved site, the Contractor shall be responsible for the expense of any security or other facility reviews required by the IRS.

(j) **Statement of Work – TAX COLLECTION SERVICES**

J.1 BACKGROUND

J.1.1 (TBD – Will Describe Enabling Legislation authorizing use of PCAs and establishing the funding mechanism once finalized)

J.1.2 The IRS is authorized to refer delinquent tax debts to Private Collection Agencies (PCAs or “Contractors”) for tax collection services. As described in this statement of work, the IRS will refer delinquent tax receivables to private collection agencies for debt collection services if the IRS determines that a referral is appropriate. The debts will be for individual or business taxes and may range from thirty days delinquent until expiration of the statute of limitations on Federal tax debt, generally 10 years from the date of assessment. The debts will be comprised of tax assessments, penalties, interest, and other miscellaneous items.

As of September 2002, the IRS had \$76.7 billion in delinquent tax debt classified as potentially collectable inventory (PCI). Approximately \$30 billion of the PCI was in statuses that would likely be eligible for placement to PCAs. Since 1999, 3.3 million delinquent tax modules accounting for \$13 billion in past due tax assessments have been closed systemically for workload balancing purposes. The IRS currently classifies \$9.9 billion of those dollars as potentially collectable. Initial referral volume is expected to come from this pool of inventory. This historical information is not indicative of total initial placement or future referral volumes.

J.1.3 The IRS employs various collection tools in an attempt to recover the tax debt due, plus interest and penalties, on behalf of the Treasury. The current general IRS collection process for the 1st year of delinquency involves sending a series of notices for up to 4 - 6 months and handling inbound telephone calls and making outbound telephone calls to taxpayers. If no payment is received and additional collection action is warranted, the taxpayer account may be worked further in Automated Collection System (ACS) enforcement areas or assigned to a field agent for additional enforcement action.

J.1.4 The debt or tax liability of a taxpayer sent to the Contractor for collection services is referred to as an "account" in this task order.

J.2 **SCOPE**

The purpose of this effort is to enlist the services of private collection agencies (Contractors) to increase the recovery of IRS tax debts and resolve IRS tax receivables by collection or other case resolutions as described in this Statement of Work. The Contractor shall perform the duties outlined in the statement of work in all States, territories and federal jurisdictions of the United States for the collection of IRS tax debts.

J.3 **LAWS, REGULATIONS, AND STANDARDS GOVERNING COLLECTION ACTIVITY**

J.3.1 The Contractor shall comply with all applicable Federal and State laws. The principal Federal statutes and regulations currently governing collection activity on Federal tax debt are listed below. IRS will monitor the Contractor's collection activity and failure to comply with applicable laws and regulations will be considered a breach of contract. The laws and regulations listed below are available for review upon request by the Contractor to the Contracting Officer.

- Internal Revenue Code of 1986, as amended.
- Internal Revenue Code Sections 6103, 7213, and 7431 (disclosure and disclosure related penalty provisions)
- 18 U.S.C. Section 641.
- Taxpayer Bill of Rights, Subtitle J of Title VI of Technical and Miscellaneous Revenue Act of 1988 (TAMRA), PL 100-647 (sections 6226 through 6247).
- Taxpayer Bill of Rights 2, PL 104-168, 110 Stat. 1452 (1996).

TIRNO-03-H-00001

- Federal Claims Collection Act of 1966, PL 89-508
- Debt Collection Act of 1982, PL 97-365
- Debt Collection Improvement Act of 1996, PL 104-134, 31 U.S.C. § 3701 et seq.
- Fair Debt Collection Practices Act, PL 95-109, 15 U.S.C. § 1692 et seq.
- Privacy Act of 1974, as amended, PL 93-579, 5 U.S.C. § 552a
- Federal Claims Collection Standards, 31 CFR Parts 900-904 (65 Fed. Reg. 70390, Nov. 22, 2000)
- Treasury Financial Manual, Volume I, Part 5, Chapter 4000 (Making Deposits) and Volume I, Part 6, Chapter 8000 (Cash Management), as amended
- Restructuring and Reform Act of 1998, PL 105-206
- Any laws enacted or regulation published after award of this contract, which governs the collection of federal taxes, including but not limited to modifications or additions to the statutes described herein.

J.3.1.1 Protections Provided by the Fair Debt Collection Practices Act (15 U.S.C. subsection 1692 et. seq.) – The Fair Debt Collection Practices Act (FDCPA) applies to private collection agencies, and certain provisions of the FDCPA have been incorporated into the Code in section 6304 so that they apply to IRS employees. PCAs will be fully subject to all requirements under the FDCPA, including those specifically applicable to IRS employees under section 6304 of the Code. PCAs, for instance, will be prohibited from communicating with taxpayers at an unusual or inconvenient time or place, or engaging in conduct that is harassing, oppressive or abusive.

J.3.1.2 Protections Against Unauthorized Disclosure (I.R.C. subsection 6103) – Sections 6103(n) and 7431(a)(2) of the Code currently permit a taxpayer to pursue legal action against any person who is permitted to receive taxpayer returns or return information for purposes of assisting in tax administration, but who unlawfully discloses that information. Criminal penalties also may be imposed, I.R.C. subsections 7213 and 7231A. These provisions will apply to PCAs and the IRS will be required to submit annual reports outlining the safeguards in place at the PCAs location to prevent unauthorized disclosures.

J.3.1.3 Protections with Respect to Third-Party Contacts (I.R.C. subsection 7602(c)) – PCAs will not be authorized to communicate with third parties that constitute third-party contacts for purposes of notification and reporting requirements under section 7602(c) of the code.

J.3.1.4 Protections with Respect to Communications – PCAs will be required to comply with the Code provisions governing notices reflecting balances due, penalties, and interest (I.R.C. subsections 6631 and 6751(a) and I.R.C. subsection 7522. In addition, PCAs will be required to comply with Code and Internal Revenue Manual provisions governing taxpayer interviews by employees, I.R.C. subsection 7521.

J.3.1.5 Protections against Conduct that Violates Minimum Standards – Section 1203 of RRA98 prohibits certain specified conduct by IRS employees, including conduct in connection with the collection of unpaid tax. IRS employees, for example, are prohibited from violating any constitutional or civil right of, or retaliating against, a taxpayer or taxpayer representative. PCAs will be required to comply fully with the provisions of section 1203, including, to the extent permissible under applicable law, the removal or termination of PCA employees who violate the requirements of this provision. IRS will submit annual reports outlining compliance by PCAs with the restrictions contained in the section 1203 of RRA98.

J.3.1.6 Assistance from the National Taxpayer Advocate (I.R.C. subsections 7803(c) and 7811) – The office of the National Taxpayer Advocate (NTA) provides assistance to taxpayers seeking help in resolving their problems with the IRS. Any taxpayer experiencing a significant hardship (as defined in section 7811 of the Code and the Taxpayer Advocate Service manual procedures) relating to the manner in which the internal revenue laws are being administered may seek assistance from the office of the NTA. PCAs will be required to inform taxpayers of their right to obtain assistance from the office of the NTA and to immediately refer any case where such assistance is requested to the IRS work queue.

J.3.2 The Contractor shall meet all applicable State and local licensing requirements and bonding/insurance requirements. Additionally, the Contractor shall be licensed to perform debt collection activities in all States, territories and federal jurisdictions of the United States.

J.3.3 The Contractor shall take all necessary steps, as required by each State or locality, to ensure that it is operating within the laws of the jurisdiction where the taxpayer resides except insofar as Federal law supersedes these requirements.

J.3.4 The Contractor shall ensure that all attempts to collect on accounts do not involve harassment, intimidation, or the use of false or misleading representations. There shall be no unnecessary communications concerning such debt to persons other than the taxpayer or the taxpayer's designated representative. The Contractor shall only communicate with third parties at the taxpayer's request. No taxpayer information shall be conveyed to a third party without receipt of a signed Power of Attorney authorization from the taxpayer in accordance with Section J.4.3.2.3.

J.3.5 The Contractor shall indemnify and hold the Federal Government harmless from any and all third party liability, loss, damages, claims and/or other expenses, including but not limited to attorney's fees (whether incurred before or after litigation has commenced) and court costs, for Contractor activities arising under or related to the task order. The Contractor is not authorized to represent the interests of the United States in court, or to otherwise provide legal services for or on behalf of the United States. The government will be permitted to intervene in any action brought by a taxpayer against an employee of a PCA (under sections 7431 or 7433), however, in no case would the government be liable for a wrongful act of a PCA or their employees.

J.4 COLLECTION PROCESS

J.4.1 TRAINING

J.4.1.1 Prior to beginning work under this task order, the Contractor shall train all Contractor employees necessary to service the IRS program and any necessary subcontractor employees to ensure adherence to the Contractor's standard operating procedures, applicable laws and regulations, IRS policies, and the Private Collection Agency Operations and Procedures manual issued by IRS. The Contractor shall conduct additional training to inform its employees and any subcontractor employees of all changes in operational procedures, laws or regulations as they are modified or updated.

J.4.1.2 The Contractor shall train employees and subcontractor employees assigned to this task order on the Privacy Act of 1974. The Contractor shall certify, in writing, that employees and subcontractor employees have received this training before they begin any collection activity. The Contractor shall also provide state and locality debt collection related training to the employees, including the successful completion by Contractor and subcontractor employees of any State mandated exams.

J.4.1.3 A certification form for all training provided in support of this task order shall be signed by each Contractor and subcontractor employee and maintained on file by the Contractor. The Contractor shall make certifications available for Government review at the request of the Contracting Officer or Contracting Officer's Technical Representative (COTR).

J.4.2 ACCOUNT REFERRALS

J.4.2.1 Accounts to be distributed to the Contractor under this task order will initially be comprised of a mix of accounts in IRS case inventory where taxpayers have filed a tax return or have made three or more payments on an IRS compliance related assessment. Balances owed will be comprised of combinations of delinquent tax assessed, penalties, interest and fees owed to the United States and may include one or more non-filed delinquent tax returns. Account balances due will range from \$100 to millions of dollars, and can be individual or business tax assessments. An individual filer placed with a Contractor is a taxpayer that files form 1040, 1040A or 1040EZ without a Schedule C, E or F and owes a balance on an income tax assessment. A business filer is a taxpayer that files a Form 1040 with a Schedule C, E, F or a Form 940, 941 or 1120, which include both income tax and trust fund taxes. Accounts transferred to the Contractor will be a mix of accounts identified for placement for that period. Subject to the provisions of this task order, the Contractor will generally have 12 - 24 months to attempt collection on these accounts.

J.4.2.2 IRS will begin distributing accounts approximately 90 -180 calendar days after task order award. The first performance period will be 9 months beginning with the month of the first referral. During the first 9-month period, IRS will refer to each Contractor an equivalent number of accounts. After the end of the first 9-month period, IRS will distribute accounts based upon performance in accordance with J.13.2.3, Account Placement Allocation and Attachment 1, Pricing Schedule. IRS will distribute accounts electronically as often as daily to the extent accounts meeting placement criteria are available for placement from IRS inventory.

J.4.2.3 After a Contractor has returned an unresolved account (see Section J.4.3.16), IRS may redistribute the account to another Contractor for additional debt collection services. IRS will attempt to ensure that a particular account is not distributed to the same Contractor more than once.

J.4.2.4 After referral to the Contractor, IRS will stop all active collection on the account referred. IRS will continue to post funds offset through refunds on any other tax returns and through the Federal Payment Levy Program (FPLP). The Contractor will not receive a fee for any collections received by the Government through offset.

J.4.2.5 During the period of performance of this task order, IRS may change the account distribution method. When IRS changes the account distribution method, the Contractor will be provided 30 days advance notice.

J.4.3 REQUIRED PROCESSES, DOCUMENTATION AND STANDARDS

Listed below are the required collection activities to be performed, the required documentation to be obtained, and the standards to be followed by the Contractor.

J.4.3.1 INITIAL DEMAND LETTER

The Contractor shall send a demand letter to the taxpayer and POA (if applicable) within 7 calendar days of the distribution date, unless a valid address is not provided with the account (see Section J.4.3.2). The demand letter will include a detachable, scannable payment coupon, which will help identify the payment. IRS will provide the coupon specifications. The letter will inform the taxpayer that the account has been placed with a private collection agency contracted by the Internal Revenue Service. The letter will not imply that the Contractor is the Internal Revenue Service or a Federal entity. The letter will contain a toll-free number for the Contractor so that the taxpayer may contact the Contractor for payment information. Any changes made to the IRS-approved demand letter (see Section J.6) require prior approval by the COTR. Any changes made to the scannable coupon will be submitted for testing at least 60 days prior to use.

J.4.3.2 LOCATING AND CONTACTING THE TAXPAYER

J.4.3.2.1 Whenever a Contractor has determined that a taxpayer cannot be found, the Contractor shall perform skip-tracing actions as outlined in the Contractor's approved operational plan.

J.4.3.2.2 Upon initial contact with the taxpayer, the Contractor shall attempt to verify that the taxpayer's name and taxpayer's tax identification number (TIN) match the IRS account and verify the current address, telephone numbers and employment.

J.4.3.2.3 The taxpayer may authorize another individual to act on their behalf through the execution of a Power of Attorney (POA) in accordance with IRS procedures. Once a POA has been received, the Contractor must contact the POA to discuss and resolve the taxpayer's situation.

J.4.3.2.4 If the Contractor locates the taxpayer at an address other than the last known address, the Contractor shall reissue a demand letter within 24 hours of finding the new address.

J.4.3.3 DISPUTES

J.4.3.3.1 The Contractor shall immediately suspend collection activity on an account upon receipt of a dispute per approved IRS procedures. The Contractor **SHALL NOT RETURN THE ACCOUNT** to IRS until instructed to do so. The Contractor shall refer all written disputes to IRS within 24 hours after receipt from the taxpayer. Disputes typically include a taxpayer claiming that the debt was never incurred, or the balance due is incorrect or was fully satisfied, or requests for innocent spouse relief.

J.4.3.3.2 On joint assessments, one spouse may claim that they are not responsible for the other spouse's liability. The Contractor shall inform the petitioning spouse that they must file a Form 8857, Request for Innocent Spouse Relief, through the IRS per IRS procedures.

The Contractor shall continue collection activity against the non-petitioning spouse. If the Contractor does not get an update from IRS indicating a Request for Innocent Spouse Relief has been filed within 60 days, the Contractor may continue collection activity on both parties.

J.4.3.3.3 The Contractor shall obtain, in writing whenever possible, the reason for the taxpayer's dispute and shall place the account in the IRS "work queue" with the appropriate documentation to permit the IRS to resolve the dispute. Failure by the Contractor to cease collection activity as required will result in the recall of the account by IRS and will impact the Contractor's balanced metric scorecard. See Section J.4.3.15.4.

J.4.3.3.4 The IRS will attempt to resolve all disputes within 30 calendar days. The IRS staff will notify the Contractor whether collection activity may be resumed once a decision has been made. The Contractor shall resume collection activity immediately upon receipt of notification from IRS that the dispute has been resolved.

J.4.3.4 PAYMENTS

J.4.3.4.1 The Contractor is strictly prohibited from soliciting the direct receipt of funds from taxpayers, and shall direct all payments resulting from collection activities to the IRS Lockbox. The IRS Lockbox address will be provided to the Contractor upon task order award. The Contractor is encouraged to develop the capability to direct payments from the taxpayer directly to the IRS Lockbox by electronic means such as, but not limited to, Express Pay, Quick Collect, AutoPay or similar commercially available services.

J.4.3.4.2 The Contractor shall instruct taxpayers that all payments are to be made directly to the IRS Lockbox, accompanied by a coupon to help identify the payment, and must be payable to the United States Treasury. The Contractor shall instruct the taxpayer to include the taxpayer identification number, name, address, tax form, and tax period on the payment.

J.4.3.4.3 Any payment received directly by the Contractor shall be immediately forwarded to the IRS Lockbox by express mail on the day of receipt with a coupon for identification. The Contractor shall retain one copy of the payment instrument and fax one copy to the IRS financial staff on the same day the payment was received. If the taxpayer has a repayment plan or multiple debts, the Contractor shall also send a letter to the taxpayer, on the same day the payment was received, advising him/her of the correct address for sending future payments. If the taxpayer has paid off the balance in full, the notification is not required.

J.4.3.4.4 The Contractor shall receive daily information on payments deposited to the IRS Lockbox. The information will include detailed information on identified payments and unidentified payments. IRS will post the identified payments against the accounts and update the Contractor on the application of these payments daily.

J.4.3.4.5 The Contractor shall be responsible for the initial identification of any unidentified payments. IRS will verify correct application of these payments prior to posting. The Contractor will not be compensated for any payments received that cannot be identified and properly applied to an account held by the Contractor.

J.4.3.4.6 The IRS may restrict acceptance of certain payment instruments such as credit cards in certain instances. Any restrictions will be in IRS procedures provided as part of training, as amended from time to time.

J.4.3.5 **PAYMENT STANDARDS**

J.4.3.5.1 The Contractor shall attempt to collect the full amount of the debt due on each account. If the Contractor is unable to collect the full amount due in one payment, the Contractor may attempt to negotiate collection of the full amount in multiple payments to be made by the taxpayer in accordance with the requirements of this task order. See Section J.4.3.6, Repayment Plans.

J.4.3.5.2 If the Contractor does not obtain the full amount of the debt due in one payment, the Contractor shall document in the Contractor's system the justification for accepting multiple payments, in accordance with the above payment standards (J.4.3.5.1).

J.4.3.6 REPAYMENT PLANS

J.4.3.6.1 When the Contractor determines that payment in full is not immediately possible, the Contractor shall attempt to negotiate a mutually agreed upon repayment plan according to the standards set by the IRS for the debt being negotiated. Repayment Plans, which do not meet the “Streamlined” or “Express” standards outlined below, shall be placed in the IRS “work queue” for review and approval. Taxpayers may be granted a Repayment Plan even if they are able to fully pay their accounts.

J.4.3.6.2 Contractors may enter into a “Streamlined” Repayment Plan with taxpayers under the following circumstances:

The unpaid balance of assessments is \$25,000 or less. The unpaid balance of assessments includes tax, assessed penalty and interest, and all other assessments including any pending assessments on the tax modules. It does not include accrued penalty and interest. The agreement must be fully paid in 36 months, or prior to the collection statute expiration date (CSED), whichever comes first.

The following types of taxpayers qualify for “Streamlined” Repayment Plan:

Individual Master File (IMF) – Form 1040 (all schedules);
Business Master File (BMF) (income tax only) – Form 1120;
Out-of-business BMF (any type tax) – Forms 1120, 940, 941

The taxpayer must have filed all tax returns that are due prior to entering into the agreement. Taxpayers may be granted a Repayment Plan based on the above even if they are able to fully pay their accounts. Penalty and interest continue to accrue during the Repayment Plan.

The Contractor shall retain and monitor these cases throughout the life of the Repayment Plan, or for a period of 24 months in accordance with Section J.10.2.

J.4.3.6.3 In-Business Trust Fund (IBTF) - Forms 940/941 “Express” Repayment Plans may be granted if the pending assessment liabilities plus the unpaid balance of assessments is \$10,000 or less, and taxes will be fully paid within 24 months, or before the Collection Statute Expiration Date (CSED), whichever is earlier.

If both IBTF and IMF taxes are involved, all taxes owed are used to determine the \$10,000 liability and full pay within 24 months. The taxpayer must have filed all tax returns that are due prior to entering into the agreement.

The Contractor shall retain and monitor these cases throughout the life of the agreement, or for a period of 24 months in accordance with Section J.10.2.

J.4.3.6.4 Repayment Plans, which are outside the above stated criteria, shall be negotiated with the taxpayer, fully documented in the case history record, and placed in the IRS “work queue” for review and approval. If the taxpayer insists on making a payment that would not be sufficient to satisfy the liability under the “Streamlined” or “Express” Repayment Plan criteria, the Contractor shall submit a completed Financial Statement (FS) to the IRS “work queue” with a request for approval of any Repayment Plan outside the standards. When submitting an FS, the Contractor shall use the standardized format provided by IRS. The Contractor shall retain the case in inventory until returned from the IRS “work queue” as an approved Repayment Plan, or for further development.

All agreements shall require the Contractor to provide the taxpayer with an IRS approved “Repayment Plan” letter confirming the terms and conditions of the agreement.

The Contractor will be paid the commission fee based on the amounts received under the agreement pursuant to the terms of the task order.

J.4.3.6.5 The Contractor shall follow IRS procedures when a Repayment Plan requested by a taxpayer is outside the “Streamlined” or “Express” procedures.

Some reasons an agreement may not be approved would include:

- Taxpayer has not filed all required tax returns;
- Full payment of the account can not be accomplished prior to the CSED;
- Taxpayer insists on making a monthly payment amount that does not reflect their maximum ability to pay based on IRS guidelines.

The proposed Repayment Plan must be placed in the IRS “work queue” for review with a clear explanation of the taxpayer’s proposal and the taxpayer’s financial statement. The Contractor shall notify the taxpayer that based on one or more of the above causes, they are required to submit the case to the IRS for review of the taxpayer’s requested Repayment Plan. Contractors must ensure all actions relative to this review are documented in case histories.

During this review the case will remain in the Contractor inventory. However, the Contractor shall ensure that no further collection activity takes place on the case until the case has been returned from the IRS “work queue”, or the Contractor has been instructed to return the case to IRS. The IRS will notify the taxpayer of the acceptance or rejection of their proposed repayment terms.

J.4.3.6.6 Any changes to the Repayment Plan guidelines described in J.4.3.6 will be provided to the Contractor as part of the training material along with any future changes as the IRS approves them. The Contractor will be provided advance notice of any change.

J.4.3.6.7 It is the Contractor's responsibility to follow-up on any scheduled payment not received within 10 days of the due date. If the Contractor cannot get the taxpayer back into compliance with the terms and conditions of the agreement within 60 days, the Contractor shall issue a default letter (IRS approved format).

J.4.3.7 OFFERS IN COMPROMISE (OIC)

Under no circumstances will the Contractor be permitted to negotiate, approve an offer or advise a taxpayer on the OIC program. IRS will provide written procedures for handling taxpayers requesting an OIC. Where procedures require, the Contractor shall be responsible for providing information to the taxpayer.

J.4.3.8 DELINQUENT TAX RETURNS

In the process of collecting the tax liability, the Contractor may discover that the taxpayer may not have filed all required tax returns. The taxpayer is required to file all delinquent returns prior to entering into a Repayment Agreement. The Contractor will instruct the taxpayer to file the delinquent return with the proper Service Center and pay the tax due with the return. Under no circumstances will a taxpayer be directed to send a tax return directly to a Contractor. Contractor initiated filing of a tax return that creates a refund offset to satisfy the outstanding tax liability will count towards case resolutions. Filing of delinquent returns that create additional tax liability are subject to collection and will be eligible for fee for service payments.

J.4.3.9 CORRESPONDENCE

J.4.3.9.1 The Contractor shall establish a P.O. Box for the receipt of correspondence. The Contractor shall process routine incoming correspondence (date stamp incoming mail, prepare and forward responses where necessary or respond via telephone contact) within ten business days of receipt. If response to the correspondence is via telephone contact, such contact must be documented in the case notes on the Contractor's collection system. The Contractor shall receive and maintain correspondence at the Contractor's site for a period of two years after the expiration of the task order. Imaged documents shall be properly secured at all times and accessible for reproduction during the life of the task order and for two years after expiration of the task order.

J.4.3.9.2 Periodically, IRS will perform a sampling of routine incoming correspondence received by the Contractor to ensure that task order requirements are being met.

J.4.3.9.3 Under no circumstances shall Contractors retain taxpayer tax returns (originals or copies). Any tax returns sent to a Contractor shall be forwarded to the appropriate IRS location per approved IRS procedures.

J.4.3.10 IRS EMPLOYEES

J.4.3.10.1 Whenever the Contractor identifies a taxpayer as an IRS employee, the Contractor shall notify IRS through the daily electronic transmission of data and return the account to the IRS.

J.4.3.11 UNRESOLVED SERVICED ACCOUNTS (USA)

J.4.3.11.1 The Contractor may determine that a taxpayer is unable to satisfy the tax assessment as a result of severe hardship per IRS guidelines, which can include disability and unemployment. The Contractor shall secure a completed financial statement along with supporting documents and forward to the IRS “work queue” for review. When submitting a financial statement the Contractor shall use the standardized format provided by IRS. The IRS will attempt to make a final determination on the taxpayer’s status within 14 days. During this period of review, all collection activity by the Contractor shall cease.

J.4.3.11.2 If the taxpayer is incarcerated, the Contractor shall determine the potential for collection (e.g. full pay, repayment plan).

- If a joint or partnership liability, determine if the spouse or other partner(s) can pay
- Secure as much information as possible including place of incarceration, date of release, location of assets, addresses and phone numbers of spouse for joint accounts and of partners of partnerships.

If unable to collect due to the taxpayer’s incarceration, the Contractor shall document the account and then place the account in a “work queue” for review by IRS with all relevant information supporting the incarceration determination. The IRS will attempt to make a final determination on the taxpayer’s status within 14 days. During this period of review, all collection activity by the Contractor shall cease.

J.4.3.12 ADMINISTRATIVE RESOLUTIONS

The Contractor may determine that certain accounts can be resolved administratively and are therefore candidates for return to the IRS. In such situations, the Contractor shall submit an administrative resolution request to the IRS “work queue” and obtain the required documentation for the applicable category as outlined below. Information obtained from the Internet shall be pre-approved by the COTR as an acceptable form of documentation prior to submission. Once the documentation is obtained, provided to the IRS, and the IRS has concurred with the administrative resolution, the Contractor shall return the account, per IRS file formats, on a daily basis.

The Contractor shall forward all supporting documentation for administrative resolutions with the initial request, with the exception of bankruptcy documentation (J.4.3.12.2). The following categories are classified as administrative resolutions:

J.4.3.12.1 DECEASED TAXPAYERS

J.4.3.12.1.1 A taxpayer’s death will result in the suspension of collection activity unless there is a surviving spouse or estate with resources to partially or fully satisfy the tax assessment.

In all cases, the following information shall be requested:

- Date of death
- County in which the taxpayer died
- County in which the taxpayer resided prior to his/her death
- Name, address, and telephone number of the fiduciary, if any

The Contractor shall attempt to contact the executor or administrator if one is indicated and:

- Request a copy of the death certificate
- Verify whether or not there is an estate
- Document all pertinent information such as type of assets involved (e.g., stocks, bonds, money, real estate), court locations, etc.

Submit all documentation to the IRS “work queue”. The case will remain assigned to the Contractor until the above information has been reviewed and a determination made to recall the case.

If the account involves a joint filer or partnership liability, the Contractor shall continue to pursue collection from any surviving spouse or partner(s).

J.4.3.12.2 BANKRUPTCY

J.4.3.12.2.1 When the Contractor discovers a taxpayer has filed for protection under the bankruptcy code, the Contractor will suspend further collection activity and obtain:

- Filing date
- Bar date
- Court Location
- Docket number
- Chapter type (Chapter 7, 11, 12, or 13)
- Discharge date if applicable
- Name, address and telephone number of the attorney and trustee for bankruptcy

The information needs to be documented on the taxpayer's account. The account shall be placed in an IRS "work queue" for review per approved IRS procedures. Submit all documentation to the IRS "work queue". The case will remain assigned to the Contractor until the above information has been reviewed and a determination has been made to recall the case.

J.4.3.13 ASSET INVESTIGATION

J.4.3.13.1 In no event can a Contractor take, imply or suggest enforcement activity against a taxpayer or third party. Enforcement activities can only be performed by IRS employees.

J.4.3.13.2 In the event a Contractor has exhausted all efforts to resolve the case within their scope, and the Contractor has identified assets, which could possibly be reached through enforcement action by IRS, the Contractor shall submit the information to the IRS "work queue" for review.

The case shall remain assigned to the Contractor awaiting determination and/or action by the IRS.

Contractor generated information resulting in a Levy, Lien or enforcement action taken by the IRS, which generates the collection of outstanding tax debt during the designated holding period, will be paid a reduced commission rate pursuant to the terms of the Task Order. The Contractor will be eligible for the fee for a period described in the table not to exceed 12 months from the lien filing or levy issuance date.

J.4.3.14 TAXPAYER ADVOCATE SERVICE (TAS)

J.4.3.14.1 Taxpayers experiencing a significant hardship may request consideration for additional assistance; including an independent review by TAS.

The TAS will contact the IRS once a TAS investigation is opened. The IRS will instruct the Contractor to move the taxpayer's account into the IRS "work queue" until the TAS can make a determination. The case will remain assigned to the Contractor until the above information has been reviewed and a determination has been made to recall the case. If the case meets TAS case criteria, it will be transferred to TAS inventory.

J.4.3.14.2 The Taxpayer Advocate Service will review any taxpayer contact that meets any of the criteria listed below:

- Taxpayer is suffering or about to suffer a significant hardship
- The taxpayer is facing an immediate threat of adverse action.
- The taxpayer will incur significant costs if relief is not granted (including fees for professional representation).
- The taxpayer will suffer irreparable injury to or long term adverse impact if relief is not granted.
- The taxpayer has experienced a delay of more than 30 calendar days to resolve a tax account problem.
- The taxpayer has not received a response or resolution to their problem or inquiry by the date promised.
- A system(s) or procedure(s) has either failed to operate as intended or failed to resolve the taxpayer's problem or dispute within the IRS.
- Duplicate congressional correspondence case.

J.4.3.14.3 There are certain cases that will not be referred to TAS:

- When the complaint or inquiry **only** questions the constitutionality of the tax system.
- Cases where the focus of the taxpayer's inquiry is solely to employ frivolous tax strategies to avoid the filing and/or paying of federal taxes

If there is any doubt as to whether a taxpayer qualifies for assistance from the TAS, the account should be referred to the IRS work queue for a determination.

J.4.3.15 RECALL OF ACCOUNTS

J.4.3.15.1 IRS reserves the right to recall any or all accounts at any time for any reason.

J.4.3.15.2 IRS will recall accounts that are paid in full, approved for USAs (see J.4.3.11), Administrative Resolutions (see J.4.3.12) or that exceeds the Retention Period (see J.4.3.16.1)

J.4.3.15.3 The Contractor will not receive a fee for any collections received by the Government through offset. If an account is paid in full as a result of an offset, IRS will recall the account. Otherwise, IRS will report to the Contractor any collections received through offset as non-commissionable payments.

J.4.3.15.4 Collection action by the Contractor after the account has been recalled will be noted in the Contractor's compliance review. The Contractor will not be paid a fee for payments received on any account that has been recalled except as provided in Request for Task Proposal.

J.4.3.16 RETURN OF ACCOUNTS

J.4.3.16.1 Retention Period - The Contractor shall have twelve months from the account referral date to convert accounts to the status of: payment in full; a satisfactory repayment plan; or case resolution. Accounts with acceptable payments within 60 days of the scheduled return date may be retained for a period equal to 60 days from the date of the most recent payment.

J.4.3.16.1.1 During the period of performance of this task order issued by IRS, IRS may change the retention period of accounts. When IRS changes the retention period, the Contractor will be provided advance notice.

J.4.3.16.2 The Contractor shall return any account that has been paid in full or that meets case resolution criteria approved by the IRS within 24 hours after it reaches the applicable status.

J.4.3.16.3 The Contractor shall return any account that has not been converted to one of the categories described in J.4.3.16.1 at the end of the retention period within 15 calendar days after the end of the retention period.

J.4.3.16.4 The Contractor shall return the account electronically according to the file formats. The Contractor shall provide as much information in the return file format as possible. If a Contractor obtained any new information, such as, but not limited to, new address, tax identification number, new employer, lien or levy information the Contractor shall include that information in the file. Adherence to the requirements of J.4.3.16 will be included in the Contractor's compliance review (see Section J.9) and will impact the Contractor's Balanced Metric Scorecard results.

J.4.3.16.5 The Contractor shall return Administrative Resolution accounts electronically, according to the format provided by IRS, on a daily basis.

J.4.3.16.6 IRS may, at its discretion, suspend the calculation of the twelve-month retention period when the Contractor is required to suspend collection activity for one or more of the following reasons:

- a. Disputes;
- b. Concurrences (IRS review of proposed agreements that are outside standards) or,
- c. Other reasons IRS deem appropriate.

J.4.3.16.7 The Contractor may return an account to the IRS anytime after six months of the date of referral for primary placements and after twelve months for secondary placements if it deems the account to be uncollectible and has exhausted all reasonable collection efforts on the account. The IRS may adjust this period with prior notice to the Contractor. The IRS will not replace returned accounts with additional account placements. All account placements will occur in accordance with Section J.4.2.2.

J.4.3.17 EXTENDED RETENTION PERIOD

J.4.3.17.1 The Contractor shall retain accounts beyond the retention period under the following circumstances:

- a. Repayment Plan -- The Contractor shall retain accounts that are in repayment status for the length of the reported agreement, except as specified in Section J.10.2. The retention period for an account in repayment status will begin upon receipt of the first payment after the effective date of the agreement. Accounts are considered in repayment status after the taxpayer has made two consecutive payments under an approved repayment plan.
- b. Recent Payments -- The Contractor shall retain accounts that are making ongoing satisfactory payments. Payments must have been received within the prior 60 calendar days. The amount of the payment(s) must be greater than IRS guidelines to permit retention of the account.

- c. Other Exceptions --The Contractor may submit information to the COTR for possible retention of the account, on a case-by-case basis, when the Contractor has convincing evidence that retention will result in future payment(s) or resolution immediately following the twelve-month retention period. The Contractor shall obtain written COTR approval in order to retain the account beyond the twelve-month retention period.

J.4.3.17.2. During the period of performance of this task order issued by IRS, IRS may remove the requirement for the receipt of two consecutive payments before an account is considered in repayment status (J.4.3.16.1.a). When this requirement is removed, the Contractor will be provided advance notice.

J.4.3.18 IRS WORK QUEUE(S)

The Contractor shall establish one or more “work queues” on their collection system to be worked by IRS employees to enable the prompt resolution on taxpayer accounts requiring IRS review.

J.5 COMPLAINT PROCESS

J.5.1 The Contractor shall provide taxpayers wishing to complain about the Contractor the title and address of the IRS COTR, in writing as part of the privacy notification, and verbally if appropriate during conversations with taxpayers.

J.5.2 When IRS receives a complaint from a taxpayer assigned to the Contractor, IRS will forward a copy of the complaint to the Contractor. The Contractor shall, upon receipt of the complaint, immediately cease collection activity on the account in question and shall provide to the COTR, by the close of business on the following business day, a copy of its collection activity record on the account. The Contractor shall also provide any other relevant information, so that IRS may respond to the complaint raised by the taxpayer against the Contractor.

J.5.3 The Contractor shall not resume collection activity on the account until IRS resolves the problem. Failure by the Contractor to cease collection activity on the account will result in IRS recalling the account from the Contractor. After receipt of written notification from IRS that the complaint has been resolved, the Contractor shall immediately initiate or resume the appropriate action on the account.

J.5.4 When the Contractor receives a complaint from a taxpayer, the Contractor shall give the COTR copies of all mail and FAX complaints (taxpayer and other) and notes of verbal complaints (Type 2 or 3 complaints only, see J.5.5) received by the Contractor, with hard copies of the affected cases, by the close of business on the following business day of receipt of the complaints. The Contractor shall forward its final

response, as well as a copy of the collection activity records, regarding the complaint to the COTR within ten business days of receipt.

J.5.5 There are three types of complaints based on severity of taxpayer allegations; type one, type two and type three. The Contractor shall keep a log of all complaints, including non-substantive and minor complaints, detailing any Contractor investigation and actions. The complaint logs shall always be accessible by the IRS COTR.

J.5.5.1 Type One Complaints - taxpayers complain that the Contractor's employee or manager is incompetent, rude, has poor attitude, etc., or a government employee observes such behavior. These complaints are viewed as nuisance complaints that have the potential to be indicative of systemic failures and therefore require correction. If after investigation by the Contractor the complaint is found to be valid, the Contractor shall determine proper discipline for the first and repeat offenses by any employee; however, the COTR reserves the right to discuss and suggest corrective actions for employees with multiple Type One complaints.

J.5.5.2 Type Two Complaints- the taxpayer complains of intimidation, heavy-handed behavior, or similar activity or a Government employee observes such behavior. These complaints are view as rising beyond the level of nuisance and are bordering on statutory without rising to the full level of obvious statutory violations. As soon as the Contractor becomes aware of a Type Two complaint, the Contractor shall immediately suspend activity on the case. The Contractor shall investigate the complaint, and provide a complete report to the IRS COTR within 10 business days of receiving the complaint. The report shall include actions taken to deal with the situation, and actions taken to prevent future occurrences of like situations. The Contractor shall resume activity on the case only at the direction of the IRS COTR. The Contractor shall determine the proper discipline for first and repeat offenses; however, IRS reserves the right to suspend all contract activity depending on the number of valid complaints involving one or more employees. Contract activity can resume if IRS determines the Contractor has taken corrective action(s) to prevent further Type Two complaints. The Contractor is also subject to reductions in monetary bonus, inventory placement allocation, and fee for service under certain conditions (see J.13.2).

J.5.5.3 Type Three Complaints- the taxpayer complains of, or a Government employee observes, a possible violation of the Taxpayer Bill of Rights, Taxpayer Bill of Rights 2, Fair Debt Collection Practices Act, Privacy Act, Disclosure statutes, or other applicable laws. These complaints are statutory violations by the PCA and/or their employees. Any validated Type Three complaint regarding unauthorized disclosure of taxpayer information, browsing of taxpayer information on the Contractor's database, unauthorized access to taxpayer data, or actual or attempted access to IRS systems or taxpayer records shall result in the Contractor taking immediate action to permanently remove the violating employee from all access to contract data, the contract worksite and working on the contract in any capacity. IRS reserves the right to suspend all

contract activity depending on the number of valid complaints involving one or more employees. Contract activity can resume if IRS determines the Contractor has taken corrective action(s) to prevent further Type Three complaints. IRS actions will depend on the severity and frequency of complaints and can include prosecution of the offender and termination of the contract, as well as reductions in monetary bonus, inventory placement allocation, and fee for service.

The Contractor shall suspend all activity on the case upon knowledge of the complaint and shall immediately notify the COTR. The COTR will notify the Treasury Inspector General for Tax Administration (TIGTA).

The Contractor shall investigate the complaint. TIGTA may also investigate the complaint (the extent of which depends on the seriousness of the complaint and its circumstances). Contractor employees are required to cooperate with TIGTA. TIGTA may decline to investigate if there is no evidence of criminal activity, in which case the COTR will conduct the IRS investigation. If TIGTA initiates a formal investigation of the complaint, the Contractor shall cooperate fully with the investigation and coordinate its own management efforts with the COTR and TIGTA. The Contractor shall provide the COTR a complete report of its investigation within 10 business days of receipt of the complaint. TIGTA will provide a report of its investigation to the COTR after the investigation is concluded.

The COTR will provide a written determination of the facts and validity of the complaint. The Contractor shall resume activity on the subject case only when authorized in writing by the COTR. If IRS has suspended all contract activity, the Contractor shall resume contract activity only when, and only to the extent authorized in writing by the Contracting Officer.

J.5.5.4 Validated Type Two or Type Three complaints will result in a penalty against a Contractor's Balanced Metrics Scorecard, Monetary Bonus and Fee for Service for the subsequent Performance Period as described in Attachment 1, Pricing Schedule. The COTR may waive or reduce such penalty if the validated complaint was a result of a temporary systems problem, mis-classification of an area code into an incorrect time zone or an isolated incident where the Contractor has taken appropriate corrective action without delay and has demonstrated controls to mitigate the possibility of reoccurrence.

J.5.6 The Contractor shall forward any inquiry from a U.S. Senator's Office, U.S. Congressional Office, Federal, State or Local Government Office to the COTR within 24 hours of receipt. If the correspondence or inquiry pertains to a specific account, or series of accounts, in the Contractor's inventory the Contractor shall suspend any and all collection activity on the account. IRS will respond to each inquiry. IRS will recall any account for which the Contractor has failed to forward inquiries of this nature within the required time period. Failure by the Contractor to cease collection activity as required will result in the recall of the account by IRS and will impact the Contractor's balanced metric scorecard. See Section J.4.3.15.4.

J.5.7 The Contractor shall forward to the COTR a copy of any lawsuit referencing an account within 24 hours of receipt and shall immediately cease collection activity on the account in question. IRS will recall any account for which the Contractor has failed to meet this requirement within the required 24-hour period. The Contractor is not authorized to accept service of process on behalf of the Government or represent the Government in any court proceedings. Failure by the Contractor to cease collection activity as required will result in the recall of the account by IRS and will impact the Contractor's balanced metric scorecard. See Section J.4.3.15.4.

J.6 CONTRACTOR LETTERS

IRS will approve letters used by the Contractor to perform activities under this task order prior to use. Any changes made to previously approved Contractor letters require additional, subsequent approval by the COTR. Contractor letters shall contain the approved IRS Privacy Act Statement for Private Contractors, Attachment 13.

J.7 SYSTEM REQUIREMENTS

J.7.1 The Contractor's systems must assure the privacy of taxpayer data. The Contractor shall establish and maintain its own computer system and software, which can accept, accommodate, and transmit data on all accounts.

J.7.2 The Contractor shall ensure that all IRS data are protected from unauthorized disclosure while on the Contractor's computer systems, regardless of location. The Contractor shall ensure that all account data are, at a minimum, partitioned off from other data maintained on the Contractor's computer system, are password protected and are only accessed by Contractor personnel assigned to this project. The Contractor shall protect and maintain integrity of its system and IRS data.

J.7.2.1 The Contractor shall:

- a) Use end-to-end encryption (128bit), 3DES (Digital Encryption Standard);
- b) Accept and deliver the case related data via Secure Mail Box to be provided by IRS Enterprise Infrastructure
- c) Provide version control on all software changes
- d) Support Simple Mail Transport Protocol (SMTP)
- e) Provide a backup facility for IRS data
- f) Use TCP/IP data protocol for all transmissions
- g) Adhere to W3C guidelines (for additional information, see <http://www.w3.org/Protocols>)
- h) Provide on demand and batch systems interface support for import and export of data in ASCII delimiter format

J.7.2.2 The Contractor shall not:

- a) Store IRS systems applications or data on a computer desktop
- b) Use 'Cookies' for session management to store any taxpayer information
- c) Use 3rd party search engines maintained on the Contractor's system for external information mining

J.7.2.3 The Contractor shall be provided access to IRS Collection System via a secure Internet portal in read-only mode to review specific information necessary to work the taxpayer's account in accordance with IRS procedures. Access will only be permitted via IRS Registered User Portal.

J.7.2.4 The Contractor's system shall implement project specific local authentication and authorization within the application. The system may use LDAP for local authentication / authorization for role based access and personalization.

J.7.2.5 The Contractor's system shall provide the ability to manage / administer users, roles and functions as necessary to maintain appropriate access controls and adherence to IRS Privacy guidelines.

J.7.2.5.1 The Contractor shall have a System Administrator responsible for administering systems users, roles and functions

J.7.2.5.2 The Contractor shall assign the following roles that must be held by different Contractor personnel:

- a) Security Administrator
- b) Systems Administrator
- c) Database Administrator

J.7.3 The Contractor shall ensure that the data in its system are used exclusively for collection activities related to transferred accounts. The information shall not be accessed by the Contractor in connection with any other collection efforts on the same debtor under another contract.

J.7.4 The Contractor shall provide IRS access to accounts maintained on the Contractor's computer system. The Contractor shall provide a system at the IRS' designated site, which shall be set-up and maintained by the Contractor. This system will be used by IRS for monitoring purposes only. The system will not be connected to IRS' network, and file transmissions will not be performed by this system.

J.7.4.1 Access to the Contractor's system shall include view access to data elements outlined by IRS, as well as all account activity. The Contractor shall provide a list of abbreviations used for their collection system.

J.7.4.2 The Contractor shall provide training, including a training manual, on how to use the Contractor's system, as needed by the IRS. The Contractor shall provide updates to the training manual when system changes are made.

J.7.5 The Contractor shall immediately document in its own computer system all collection activity occurring on an account. The Contractor shall update IRS daily on activities as outlined in the file formats. The Contractor's computer system shall be capable of transmitting the updated information to the IRS system via Secure Mailbox. Changes or modifications may be made to the file formats throughout the life of the task order. In the event that the file formats are changed, the Contractor may be required to retest its capability to send and receive information from IRS.

J.7.6 Taxpayer account information will be accessible by the Contractor throughout the life of the task order and for two years after expiration of the task order in accordance with Section J.10.3. The Contractor shall produce taxpayer account history information upon IRS request. The Contractor shall provide IRS with the capability to print this account history at a designated IRS site.

J.7.7 File transmissions between IRS and the Contractor will occur by means of Secure Mailbox to be provided by IRS Enterprise Infrastructure. IRS reserves the unilateral right to make changes or amendments to processes described in this section as technology advances over the duration of this task order, in the event that transmission and/or security problems are discovered, or if it is determined to be in the best interest of the Government.

J.7.8 File Formats: Attachment 4 contains a preliminary list of data elements and field lengths for data transmission. **(illustrative format only; format to be provided in the final Request for Quotations).**

J.7.9 The Contractor shall maintain a written plan for recovering and re-establishing operations in the event of a disaster. The plan shall include a discussion on how the Contractor shall recover data, re-establish operations and the timeframe associated with such recovery. Such plan shall be submitted to the COTR for approval to ensure it meets IRS requirements.

J.8 SECURITY REQUIREMENTS

J.8.1 The Contractor shall adhere to the Security and Privacy regulations mandated by Internal Revenue Service (IRS) and NIST security guidance on issues related to accessibility, legal sufficiency, and reliability. **(For additional information, see <http://www.nist.gov/> and <http://csrc.nist.gov/fasp/>).** The Contractor's system must ensure the authenticity, accuracy, accessibility, reliability, and legal sufficiency of the data contained in each transaction or transmission of taxpayer data.

J.8.1.2 The Contractor's system must implement security controls, safeguards and mechanisms at all the levels of the system and application layers.

J.8.1.3 Contractor system interfacing applications must undergo an independent security review for accreditation and certification. The system must be re-evaluated for security and privacy of all major modules of the applications annually and upon significant changes to applications.

J.8.1.4 The Contractor shall establish a set of rules of behavior concerning use of, security in, and the acceptable level of risk for, the systems that support the IRS program and store or process taxpayer information. The rules shall be based on the needs of the various users of the system. The security required by the rules shall be only as stringent as necessary to provide adequate security for information in the system.

J.8.1.5 All Contractor employees supporting the IRS program will receive IRS approved security awareness training prior to being given access to IRS data.

J.8.1.6 The Contractor shall have appropriate controls in place to prevent unauthorized systems access to IRS data, data corruption or manipulation. Unauthorized access or attempted access to Contractor systems used by the IRS program will be monitored and procedures will be in place to determine the appropriate escalation procedure and response to such access attempts. Any breach of systems security, which results in unauthorized access of taxpayer information, must be reported to the COTR within 24 hours.

J.8.1.7 The Contractor shall not permit remote or third party access to systems or databases housing taxpayer data as detailed in Section J.7, System Requirements.

J.8.1.8 Contractor's system shall maintain an audit log for each transaction on an IRS taxpayer. A transaction includes read, write, update, delete. The audit data shall reside on an active database for a minimum of 60 days. Audit data shall be archived for the length of the contract plus two years. Archived data must be accessible within 72 hours.

J.8.2 Physical Security

J.8.2.1 The Contractor shall provide secured collection office facilities and equipment to perform tasks set forth under this task order. The specified area shall be restricted to IRS employees, Contractors, collectors, supervisors and management and the area shall be physically separated from other activity with walls and secured access per IRS security requirements. All account information shall be maintained at the Contractor's main collection office and accessible by the COTR or IRS representative for the purpose of compliance reviews. Licenses, bonding/insurance information, and personnel files, including employee certifications and background investigations, shall also be made available to the COTR or IRS representative at the Contractor's main collection office during compliance reviews.

J.8.2.2 The Contractor shall implement effective physical security safeguards to ensure the protection of the IT system, including the computer facilities, equipment, data, and personnel. A controlled, limited-access environment shall exist in all areas where Government data is maintained.

- a) The Contractor shall ensure that all sensitive materials, such as data, software documentation, operating manuals and handbooks are stored in a secure location.
- b) The Contractor shall provide physical security for the protection of communications equipment. Hardware and software applications, especially those handling sensitive information, must be located in physically secured areas with appropriate access controls.

J.8.3 Personnel Security

J.8.3.1 The Contractor shall ensure that each Contractor employee who has access to IRS account information or Contractor systems that manage, transmit, manipulate, or display taxpayer data has completed and submitted the appropriate background investigation (BI) and Non-Disclosure forms in accordance with the task order.

J.9 COMPLIANCE

J.9.1 The Contractor shall provide the capability for the IRS to perform remote quality audits on IRS accounts through direct secure access to the Contractor's collection system. The Contractor shall provide to the IRS training on the Contractor's collection system, and supply software, hardware and establish connectivity at IRS site(s) approved by the COTR to the Contractor's collection system at the Contractor's expense.

J.9.2 The Contractor shall provide secure remote dial up telephone monitoring capabilities or accessible replay of automated call recording of selected taxpayer calls to permit the IRS to perform quality audits of collection activities and assess call quality on IRS accounts. If call recording is provided for audit purposes, the IRS must approve the sample size and account criteria used to select calls or collectors for auditing / quality reviews.

J.9.3 The Contractor shall be evaluated periodically for compliance to the specifications listed in the task order and for compliance in fulfilling the approach outlined by the Contractor's approved Operational Plan. If the Contractor is not in compliance, no account referrals will be made until all areas of noncompliance are resolved. The Contracting Officer, as appropriate, may take other actions, including terminations for default or convenience.

J.9.4 Generally, on-site compliance reviews will be conducted at least annually. The Contractor's Project Manager shall be available to the IRS staff for the duration of the compliance reviews.

J.9.5 The Contractor may be audited by TIGTA. The Contractor's Project Manager shall be available to ensure that TIGTA receives the support and information it requires to complete an audit of the Contractor's IRS program.

J.9.6 The Contractor shall provide at its main collection office: private office space that contains the necessary office furniture, telephone lines and a terminal, including a printer, for accessing the Contractor's system for use by the IRS representatives while conducting on-site compliance reviews.

J.9.7 The Contractor shall reimburse IRS for travel and lodging costs required by IRS employees for follow-up or additional compliance reviews. A follow-up or additional compliance review is a review that must be conducted due to non-compliance or changes made by the Contractor that may affect performance in accordance with the task order and the contractor's approved Operational Plan

J.10 TASK ORDER EXPIRATION AND CLOSE OUT OF ACCOUNTS

J.10.1 The Contractor shall accomplish via electronic transfer an orderly return of any and all outstanding accounts and account files to the IRS in accordance with the close out plan provided by IRS.

J.10.2 The Contractor may retain accounts being collected under repayment plans, which are not paid in full, for the life of the agreements or as long as the Contractor has a current task order with the IRS. If the Contractor is not awarded a subsequent task order by the IRS, the Contractor shall retain the accounts for two years after expiration of this task order for the purpose of receiving and accounting for monies received under the repayment plans. Once the two-year period has elapsed, these accounts shall be returned to IRS regardless of their status. During the two-year period, the accounts in repayment plans will be recalled if no payment is received within any 60-day period. The task order will govern the Contractor's and Government's rights with respect to these accounts to the same extent as if the accounts were processed during the task order's effective period. IRS may conduct compliance reviews during this time period and reserves the right to recall the accounts at any time.

J.10.3 The Contractor shall keep IRS account information for two years after expiration of the task order. Then, the Contractor shall, according to Federal and/or State laws, destroy or dispose of, in a manner that will prevent any unauthorized disclosures, any records containing personally identifiable information, which are not to be returned. The Contractor may be liable for criminal penalties as specified in the Privacy Act (Subsection (I)) for failure to meet these requirements.

J.10.4 The Contractor shall erase or otherwise destroy any IRS account information contained in the Contractor's computer system two years after the expiration of the task order. The Contractor may be liable for criminal penalties as specified in the Privacy Act (Subsection (I)) for failure to meet these requirements, as well.

J.11 GOVERNMENT FURNISHED DATA AND PROPERTY

The IRS will furnish data on individual debtors. The Contractor shall ensure that this data remains confidential and secure in accordance with the task order requirements.

Unless otherwise stated elsewhere, no Government Property will be furnished to Contractors.

J.12 SCHEDULE OF DELIVERABLES

DELIVERABLE	DUE DATE	COMMENTS
Operational Plan	Within 30 calendar days after contract award	
IRS provides basic training curriculum	Within 45 days after contract award	
Initial Submission Training Plan	Within 30 calendar days of receipt of IRS training curriculum.	
IRS provides comments on plans	Operational Plan within 15 calendar days after receipt; Training Plan within 7 calendar days after receipt.	
Train the Trainer	At least 60 days prior to initial account placement	
Submission of revised Plans (if necessary)	Within 7 calendar days after receipt of IRS comments	
Approval of final plans	Within 7 calendar days after receipt of revised plans	Approved plans become part of contract language and must be adhered to. Changes must be approved by IRS.
Initial Non-Disclosure Agreements	Within 45 calendar days after contract award	Also due for all new employees prior to the start of IRS training.

DELIVERABLE	DUE DATE	COMMENTS
Develop Scannable Payment Voucher	Within 45 calendar days of contract award	IRS will provide required format for scannable lockbox vouchers within 15 calendar days of contract award
Scannable Voucher Testing	Within 60 days of contract award	Voucher must pass validity check prior to issuance of privacy notices
Weekly reports (Electronic production reports and weekly data updates)	Must be received no later than Wednesday of the following week	
Data Transmission Testing	Within 60 calendar days after contract award	
Invoice (fee for service plus Administrative Resolution fees)	Monthly. Draft due 15 calendar days after the end of the month	
Invoice (Monetary Bonus Plan)	Draft due 30 calendar days after the end of the performance period.	
Monetary Bonus Report	Monthly Update provided within 21 calendar days of the month end.	
Internal Safeguard Inspection	Quarterly - during the last month of each calendar quarter	Must be filed with SAR.
Safeguard Activity Report	January 31, each year	Annual Report
Safeguard Procedures Report	Within 60 calendar days of contract award	Updated reports required whenever prescribed by IRS
Subcontracting Plan Reports <ul style="list-style-type: none"> • 294 • 295 	Yearly <ul style="list-style-type: none"> • April and October • October 	<ul style="list-style-type: none"> • Semi-Annually • Annually

J.12.1. OPERATIONAL PLAN

The Contractor shall submit all operational plans as required in the Schedule of Deliverables to the COTR for review and approval in accordance with the schedule below:

<u>Event</u>	<u>Submission Schedule</u>
Initial submission of plans	Within 30 calendar days after contract award
IRS provides comments	Within 15 calendar days after receipt of plans
Submission of revised plans	Within 7 calendar days after receipt of IRS comments
Approval of final plans	Within 7 calendar days after receipt of revised plans

J.12.2. TRAINING PLAN AND MATERIALS

The Contractor shall submit the training plan and materials required in the Schedule of Deliverables to the COTR for review and approval in accordance with the following schedule:

<u>Event</u>	<u>Submission Schedule</u>
IRS provides camera ready copy of required training materials	Within 45 calendar days after contract award
Contractor's initial submission	Within 30 calendar days after receipt of IRS provided materials
IRS provides comments	Within 7 calendar days after receipt of plan
Submission of revised plan (if required)	Within 7 calendar days after receipt of IRS comments
Approval of final plan report	Within 7 calendar days after receipt of revised (or initial) plan

J.12.3 NON-DISCLOSURE AGREEMENTS

Within 45 calendar days of contract award, and **prior to new employees starting work**, the Contractor shall deliver to the COTR, non-disclosure agreements, in a format specified by the IRS, signed by all employees, principals, corporate officers, partners and employees with access to IRS account data or the contract work site. See Attachment 11, Internal Revenue Service Non-Disclosure Agreement.

J.12.4 DISCLOSURE CONSENT FORMS (FOR TAX CHECKS)

Within 45 calendar days of contract award, **and prior to new employees starting work**, the Contractor shall deliver disclosure consent forms to the COTR, in a format specified by the IRS and signed by all employees and managers working on or managing this contract, authorizing the disclosure to the Contractor of whether the individual's tax check was positive or negative. See Attachment 12, Consent to Disclosure of Tax Information.

J.12.5 BACKGROUND INVESTIGATION (BI) INFORMATION

The Contractor shall submit BI information packages to the COTR within 45 calendar days after contract award, **and prior to new employees starting training or 20 days prior to anticipated access to IRS data**, for all employees who are proposed to work on the contract. The following forms are required to be completed and submitted to the IRS:

1. SF-85P, Questionnaire for Public Trust Positions
2. FCRA credit release
3. PD-70, required form for Washington, DC police checks and only required for individuals who have worked, lived, or attended school in the Washington, DC metropolitan area (District of Columbia, Maryland, or Northern Virginia) within the last five years.
4. I-9, Employment Eligibility Verification
5. FD-258, Applicant Fingerprint card
6. DD-214, furnish for all active military service in the last five years

The forms are available at the Office of Personnel Management (OPM) web-site, <http://www.opm.gov>, specifically at <http://www.opm.gov/extra/investigate/> OPM has prepared a question and answer document on the background investigation process. See Attachment 7, Background Investigation Information Q & As.

J.12.6 SECURITY REPORTING REQUIREMENTS

The Contractor shall submit to the COTR the Safeguard Procedures Report required by J.18.1 within 60 calendar days of contract award and the annual Safeguard Activity Report required by J.18.2 by January 31 of each performance period as outlined in those sections. The Contractor shall also perform a quarterly internal safeguard inspection during the last month of each calendar quarter as required by J.18 and include documentation of the inspections with the annual report. In the event the contract option is exercised, the above reports shall be required for the option period(s) as well.

J.12.7 DATA TRANSMISSION TESTING

The Contractor shall be required to test data transmission and data exchange of their software used to store and process data. IRS will provide data transmission requirements that will include data exchange software requirements, file specifications, and validation criteria. The IRS will specify the method of testing. The IRS will provide a sufficient number of test cases, including promise to full-pay, Contractor installment agreements, referrals and final invoice submissions.

The Contractor shall complete the testing and provide information on the tests performed, the results, and the problems encountered (and their resolution) within 60 calendar days after receipt of IRS requirements. A Contractor shall not receive IRS cases until the Contractor's data exchange and validation problems are resolved.

J.12.8 PRODUCTION REPORTS

The Contractor shall provide the IRS with weekly production reports, in an acceptable electronic format, for each week beginning on Sunday and ending on Saturday, due no later than Wednesday of the following week. The IRS will provide the content and format required within 30 days after contract award.

J.12.9 INVOICES

(a) Monthly Fee for Service - The Contractor shall submit a draft invoice monthly, within 15 calendar days after the end of each month.

(b) Monetary Bonus - The Contractor shall submit a draft invoice for the Performance Plan, within 30 calendar days after the end of the performance period.

J.12.10 FINAL COPIES OF REPORTS AND CASE DATA BASE

The Contractor shall give the COTR a final electronic copy of the report data base, hard copies of the final weekly analytical reports, and a final electronic copy of the case files, with any supporting hard copy files, as well as hard copy of the electronic cases files within the close down phase, which is the 7 calendar days prior to the expiration of the contract. The Contractor shall return to the IRS or destroy any and all IRS "Official Use Only" documents and other proprietary IRS documentation provided to the Contractor under this contract.

J.12.11 SCANNABLE VOUCHERS

The IRS will provide the Contractor with formatting requirements for the Lockbox scannable vouchers within 15 days of contract award. The Contractor shall produce a scannable payment voucher within 45 calendar days of contract award that shall conform to the format required by the Lockbox depository. The Contractor shall provide IRS with a sample scannable payment voucher within 60 calendar days of contract award for testing with the Lockbox depository.

J.12.12 TELEPHONE REPORTS

The Contractor shall provide outbound telephone reports in an acceptable electronic format to the COTR upon request. At a minimum, the report must identify the date of the call, telephone number called, the telephone number from which the call originated, the time of the call and the Contractor employee that initiated the call.

The Contractor shall also provide inbound telephone reports in an acceptable electronic format, containing, at a minimum, date of the inbound call, time of call, contractor employee that handled the call.

J.13 TASK ORDER TERMS AND CONDITIONS

J.13.1 FLOW DOWN OF CLAUSES

All clauses and terms and conditions shall flow down to all subcontracts.

J.13.2 PERFORMANCE EVALUATION

During the period of performance of this task order, the IRS will evaluate Contractor performance quarterly based upon cumulative results of cases placed for a minimum placement period of three months. The initial performance evaluation will occur after the ninth month of performance under the contract. Subsequent performance periods will encompass three months of performance and will occur quarterly. After this evaluation the Contractors may receive either a monetary bonus and/or an additional

placement allocation bonus. The Contractors will be notified of both the monetary and placement allocation bonuses within 30 days of the end of each performance period. The evaluation criteria for calculation of a monetary bonus and placement allocation are described fully in Attachment 1, Pricing Schedule.

During the period of performance of this task order, IRS may change the performance evaluation period, at its discretion, but in no instance will the performance period exceed 6 months with the exception of the initial period that shall be for a period of nine months. The contractor will be provided advance notice of this change at least 30 days prior to the effective date of the change.

Performance data is considered public information and may be posted or distributed as such.

J.13.2.1 PERFORMANCE MEASURES:

Contractor performance will be measured against a Balanced Metrics Scorecard (Attachment 2) to ensure collection efforts are balanced appropriately between providing quality service, ensuring adherence to taxpayer rights provisions, and compliance with IRS policies, procedures and regulations. The five categories to be evaluated are as follows:

- a. Collection Performance
- b. Case Resolution
- c. Customer Satisfaction
- d. Quality
- e. Employee Satisfaction

These five categories plus bonuses and penalties will comprise the performance scorecard that will be used to compute monetary bonuses and determine placement allocations.

J.13.2.2 CALCULATION OF THE MONETARY BONUS

- a. The Contractors' performance will be evaluated every quarter. The evaluation will be based on % Dollars Collected for the performance evaluation period.
- b. A separate Monetary Bonus and Monetary Bonus Pool will be computed for Primary and Secondary Placements.
- c. **A separate Monetary Bonus and Monetary Bonus Pool will be computed for the Small Business set aside task orders.**

- d. Accounts placed with balances greater than \$100,000 will not be included in the Monetary Bonus or Monetary Bonus Pool.
- e. The individual scores will be totaled and the total divided by the number of Contractors. This will calculate the average performance score for the evaluation period.
- f. After the average performance score is determined, Contractors with results above the average will be eligible for consideration of a monetary bonus provided they meet minimum performance thresholds established for each of the Balanced Metrics Scorecard categories.
- g. Only above average performers will receive the monetary bonus. The bonus pool dollars will be distributed proportionally among the eligible Contractors. (see sample calculation in Attachment 2, Balanced Matrix Scorecard)
- h. IRS reserves the right to change the basis of the bonus pool, the weights and/or the method used to compute bonus amounts, and will provide the Contractor advance notice of any change.
- i. The Contractor will be ineligible for a monetary bonus if any of the metrics contained in the Balanced Metrics Scorecard is at a termination level for the performance period.

J.13.2.3 ACCOUNT PLACEMENT ALLOCATION

- a. The Contractors' performance will be evaluated every quarter. The evaluation will be based on a scorecard containing balanced measures. The scorecard will calculate a value for each Contractor that will be used to determine a proportionate placement allocation for the next performance period.
- b. Accounts will be placed with Contractors based upon the percentage allocation they are eligible to receive or such other amount as the IRS determines to be in the best interest of the government for the following performance period.
- c. Account placement allocation will be determined utilizing the Balanced Metrics Scorecard results as described in Attachment 2. IRS reserves the right to change the basis of the account placement allocation, the weights and/or the method, minimum performance thresholds and will provide advance notice to Contractors of any change.

J.13.3 AWARD AND CANCELLATION OF TASK ORDERS

The Government reserves the unilateral right to recall all accounts and cancel task orders if the Contracting Officer determines that it is in the Government's best interest to do so.

The Government also reserves the right to award additional task orders to additional Contractors at any time the Contracting Officer determines that it is in the Government's best interest.

J.14 KEY PERSONNEL

J.14.1 Project Manager; Alternate Project Manager and IRS Program Manager

a. The Project Manager and Alternate Project Manager are considered to be essential to the work being performed and shall dedicate at least 25% of their paid time to the IRS program. The IRS Program Manager shall be the individual with direct operational management oversight of the collectors assigned to the IRS program and would be 100% dedicated to the IRS program. The IRS Program Manager and Project Manager can be the same individual. Prior to diverting any of the specified individuals to other programs, the Contractor shall notify the Contracting Officer's Technical Representative (COTR) 30 days in advance and shall submit justification, including proposed substitutions, in sufficient detail to permit evaluation of the impact on the program. A copy of any request shall be sent to the Contracting Officer. No diversion or substitution shall be made by the Contractor without the prior written consent of the COTR.

Time %	Name	Title
_____	_____	Project Manager
_____	_____	Alternate Project Manager
100%	_____	IRS Program Manager

J.14.2 REMOVAL AND REPLACEMENT OF CONTRACTOR PERSONNEL

The Government reserves the right to request that the Contractor remove any Contractor employees whose continued use under this contract is deemed contrary to the best interests of the Government. Notice of such removal will be given in writing by the Contracting Officer.

In the event the Contractor finds it necessary to replace any of the assigned management personnel during the performance contract, the Contracting Officer and Contracting Officer's Technical Representative shall be notified in writing. In cases of Contractor initiated reassignment of management personnel, notice shall be provided at least 15 calendar days prior to reassignment. Replacement management personnel shall meet or exceed the qualifications in Attachment 6, Position Descriptions and Qualifications. This notice shall also include the resume(s) of the proposed replacement personnel. All replacement management personnel are subject to the prior written approval of the Contracting Officer.

J.15 OBSERVANCE OF LEGAL HOLIDAYS AND ADMINISTRATIVE LEAVE

The Contractor shall take into account that IRS employees usually do not work on a 24-hour schedule, on weekends, nor on holidays. They may be in different time zones from the Contractor site. The IRS will attempt to conform to the Contractor's core hours work schedule.

Government personnel observe the following listed days as a holiday:

New Year's Day,	Martin Luther King, Jr.'s Birthday
President's Day	Memorial Day
Independence Day	Labor Day
Columbus Day	Veteran's Day
Thanksgiving Day	Christmas Day

Any other day designated by Federal Statute
Any other day designated by Executive Order
Any other day designated by Presidential Proclamation

The Contractor shall observe the above holidays and other non-working days on the date observed by the Government. It is understood and agreed between the Government and the Contractor that observance of such days by Government personnel shall not "on-its-face" be the cause for an additional period of performance, or entitlement of compensation except as set forth within the contract. If Contractor employees are performing duties at a Government site, these employees are automatically relieved from duty by virtue of the fact that Government employees are dismissed early or given the day off, and it will be without loss to the Contractor in

accordance with the payment method set forth in the paragraph below. No form of holiday or other premium compensation will be reimbursed.

Further, if Contractor employees are performing work at a Government site when the Government grants administrative leave to its employees, Contractor personnel shall also be dismissed. When administrative leave is granted to Contractor personnel as a result of inclement weather, potentially hazardous Contractor conditions, and other special circumstances, etc., it will be without loss to the contract. In this instance, the salaries and wages to the Contractor for the period of such excused absence shall be a reimbursed item of direct cost hereunder for employees whose regular time is normally direct charged, and a reimbursable item of indirect cost for employees whose regular time is normally charged indirect (in accordance with the Contractor's accounting policy).

J.16 SPECIAL CONTRACT REQUIREMENTS

J.16.1 IRSAP 1052.224-9000(c) DISCLOSURE OF INFORMATION— SAFEGUARDS (DEC 1988)

In performing the services described herein, the Contractor agrees to comply and assume responsibility for compliance by his/her employees with the following requirements:

- a. All work shall be performed under the supervision of the Contractor or the Contractor's responsible employees.
- b. Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the Contractor shall require written approval of the Internal Revenue Service. Requests to make such disclosures should be addressed to the IRS Contracting Officer.
- c. All returns and return information shall be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output shall be given the same level of protection as required for the source material.
- d. The Contractor certifies that the data processed during the performance of this contract shall be completely purged from all data storage components of his/her computer facility, and no output shall be retained by the Contractor at the time the IRS work is completed. If immediate purging of all data storage components is not possible, the Contractor certifies that any IRS data remaining in any storage component shall be safeguarded to prevent unauthorized disclosures.

e. Any spoilage or any intermediate hard copy printout, which may result during the processing of IRS data, shall be given to the IRS Contracting Officer or his/her designee. When this is not possible, the Contractor shall be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and shall provide the IRS Contracting Officer or his/her designee with a statement containing the date of destruction, description of material destroyed, and the method used.

J.16.2. IRSAP 1052.224-9000(d) DISCLOSURE OF "OFFICIAL USE ONLY" INFORMATION SAFEGUARDS (DEC 1988)

Any Treasury Department information made available or to which access is provided, and which is marked or should be marked "Official Use Only", shall be used only for the purpose of carrying out the provisions of this contract and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Disclosure to anyone other than an officer or employee of the Contractor shall require prior written approval of the IRS. Requests to make such disclosure should be addressed to the IRS Contracting Officer.

J.16.3 IRSAP 1052.224-9001(a) DISCLOSURE OF INFORMATION - CRIMINAL/CIVIL SANCTIONS (DEC 1988)

a. Each officer or employee of any Contractor at any tier to whom returns or return information is or may be disclosed shall be notified in writing by the Contractor that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the costs of prosecution. Such person shall also notify each officer and employee that any such unauthorized future disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC Section 7213 and 7431 and set forth at 26 CFR 301.6103(n).

b. Additionally, it is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to Contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a Contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

**J.16.4 IRSAP 1052.224-9001(b) DISCLOSURE OF INFORMATION--OFFICIAL
USE ONLY (DEC 1988)**

Each officer or employee of the Contractor to whom "Official Use Only" information may be made available or disclosed shall be notified in writing by the Contractor that "Official Use Only" information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such "Official Use Only" information, by any means, for a purpose or to an extent unauthorized herein, may subject the offender to criminal sanctions imposed by 18 U.S.C. Sections 641 and 3571. Section 641 of 18 U.S.C. provides, in pertinent part, that whoever knowingly converts to his use or the use of another, or without authority sells, conveys, or disposes of any record of the United States or whoever receives the same with the intent to convert it to his use or gain, knowing it has been converted, shall be guilty of a crime punishable by a fine or imprisoned up to ten years or both.

**J.16.5 IRSAP 1052.224-9002 DISCLOSURE OF
INFORMATION--INSPECTION (DEC 1988)**

The Internal Revenue Service shall have the right to send its officers and employees into the offices and plants of the Contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, the Contracting Officer may require specific measures in cases where the Contractor is found to be noncompliant with contract safeguards.

J.16.6 MINIMIZING ACCESS TO FEDERAL TAX DATA

a. Labeling. Access to Federal tax returns and return information is to be restricted to only those persons whose duties or responsibilities require access. In order to accomplish this, information shall be clearly labeled 'Federal Tax Data.' Federal tax data shall be handled in such a manner that it does not become misplaced or available to unauthorized personnel. Good safeguard practice dictates that access to Federal tax data shall be strictly on a need-to-know basis. Federal tax data shall never be indiscriminately disseminated. The potential for improper disclosure is minimized by restricting access to designated personnel. No person will be given more information than is needed in performance of his/her duties.

b. Co-mingling. To avoid inadvertent disclosures, Federal tax data shall be kept separate from other information. Contractors shall not maintain Federal tax data as part of general case files.

J.16.7 NEED AND USE

Any Contractor receiving returns or return information for an authorized use may not use the returns or information in any manner or for any purpose not consistent with that authorized use. An unauthorized secondary use is specifically prohibited and may result in discontinuation of disclosures to the Contractor and the imposition of civil or criminal penalties on the responsible officials.

J.16.8 DISPOSAL OF TAX INFORMATION UPON COMPLETION OF USE

Users of Federal tax data are required to take certain actions upon completion of use of the information in order to protect its confidentiality. Contractors shall either return the information (including any copies made) to the office from which it was originally obtained or make the information unable to be disclosed and include in the annual report a description of the procedures used. When the Federal tax data is returned, a receipt process shall be used.

The following precautions shall be observed when Federal tax data is destroyed:

(1) Material furnished to the user and user generated material such as extra copies, photo impressions, computer printouts, carbon paper, notes, stenographic notes and work papers will be destroyed by burning, mulching, pulping, shredding, or disintegrating.

(2) Burning precautions: the material is to be either burned in an incinerator that produces enough heat to burn the entire bundle or the bundle shall be separated to ensure that all pages are consumed.

(3) Shredding precautions: to make reconstruction more difficult, the paper shall be inserted so that lines of print are perpendicular to the cutting line; small amounts of shredded paper shall not be allowed to accumulate in the shredder bin. The paper shall be shredded to effect 5/16-inch wide or smaller strips, microfilm shall be shredded to effect a 1/35-inch by 3/8-inch strip.

(4) Pulping shall be accomplished in such a manner that all material is reduced to particles one inch or smaller.

(5) Disintegrating shall be accomplished with a ½-inch or smaller screen.

Federal tax data shall never be disclosed during disposal. Destruction of the data shall be witnessed by an IRS employee in a manner sufficient to safeguard the data from unauthorized disclosure.

After it has served its purpose, magnetic tape containing Federal tax data shall not be made available for reuse by other offices or released for destruction without first being subjected to electromagnet erasing. If reuse is not intended, the tape shall be destroyed by cutting into lengths of 18 inches or less or by burning to effect complete incineration.

Whenever disk media leaves the physical or systemic control of the Contractor for maintenance, exchange or servicing, any Federal tax data on it shall be destroyed by:

(1) Completely overwriting all data tracks a minimum of three times, using maximum current that will not damage or impair the recording equipment; or

(2) Running a magnetic strip, of sufficient length to reach all areas of the disk, over and under each surface a minimum of three times.

If the information cannot be destroyed as indicated, the disk will be damaged in an obvious manner to prevent use in any disk drive unit and discarded.

J.16.9 EMPLOYEE AWARENESS

Contractor employees who have access to Federal tax data shall be thoroughly briefed on security procedures and instructions requiring their awareness and compliance. Periodic reorientation sessions will be conducted to ensure that all appropriate employees remain alert to all security requirements. Employees shall be advised at least annually of the provisions of Section 7213(a) of the IRC, which make unauthorized disclosure of Federal returns or return information a crime that may be punishable by a \$5,000 fine, five years imprisonment, or both, and the costs of prosecution. Contractor employees shall also be advised annually of the provisions which permit a taxpayer to bring suit for civil damages in a United States district court for unauthorized disclosure of returns and return information. This section allows for \$1,000 for each act of unauthorized disclosure or the actual damages sustained plus possible punitive damages. Also, the plaintiff receives the cost of action.

Employees are to be made aware that these civil and criminal penalties apply even if the unauthorized disclosures were made after their employment with the contractor has terminated. These penalties also apply to unauthorized access to the IRS systems.

J.16.10 PERSONNEL SECURITY REQUIREMENTS

J.16.10.1 Personnel Security Requirements for Sensitive Duties

a. If the services provided by Contractor or subcontractor personnel are classified as sensitive, or involves access to IRS automated information systems or staff-like access to IRS occupied facilities, the statement of work is given a risk designation level by the IRS. The risk designation is the same risk designation applicable to Federal employees performing similar tasks. The risk designation level determines the level of background investigation necessary to clear the Contractor or subcontractor personnel for work on the contract.

b. All personnel working on the contract, requiring a security/background investigation shall be U.S. citizens or have lawful permanent resident status. There is no waiver policy regarding non-citizens.

J.16.10.2 Designated Security Level/Categories Of Personnel Requiring Investigation

a. The IRS has designated the Contractor services as described in the statement of work for this task order at the **low risk level**.

b. All Contractor employees who have access to IRS taxpayer account information shall require a background investigation for the low risk level prior to beginning work on this task order.

J.16.10.3 Requesting Investigation/Submitting Security Forms

a. Each Contractor employee requiring a background investigation is required to complete a security questionnaire, e.g., SF 85, SF 85P or SF 86 and OF 306 and all supplemental documents. In addition, Fingerprints and Authority for Release of Information forms are required. Hereafter, the above forms will be referred to as Security Forms. Failure of a Contractor employee to submit the Security Forms within seven business days from receiving the forms will be grounds for removal from the contract.

b. The Contracting Officer and/or COTR will provide the Contractors' designated representative Security Forms for each of the personnel requiring an investigation.

c. The Contractors management shall ensure the forms completeness and shall submit the completed Security Forms, in sealed envelopes, to the Contracting Officer or COTR within seven business days of receipt of the forms.

d. Security Forms will be returned to the employee if necessary data is missing or incomplete. An employee may be requested to make corrections or amendments to Security Forms in person in the IRS Personnel Security Office.

e. The Contractor shall notify the IRS Personnel Security Office within three days when a cleared employee is no longer assigned to work on the task order.

J.16.10.4 Interim Approvals

Interim approvals may be granted upon receipt and review of the Security Forms, or after preliminary security checks have been conducted, if determined by the Security Officer to be warranted. Final approval for appropriate access to perform the duties may be granted upon completion of the investigation and a suitability determination has been made.

J.16.10.5 Previously Conducted Background Investigations

Investigations conducted previously by other Federal agencies maybe used in lieu of conducting a new investigation, if the investigation meets current Office of Personnel Management and IRS requirements. A determination on the suitability of a previous investigation will be made by the IRS Security Officer after receipt of an updated SF 86 with a current signature not older than thirty days.

J.16.10.6 Privacy or Security Safeguards

a. The details of any safeguards the Contractor may design or develop under this task order are the property of the Government and shall not be published or disclosed in any manner without the Contracting Officer's express written consent.

b. The details of any safeguards that may be revealed to the Contractor by the Government in the course of performance under this task order shall not be published or disclosed in any manner without the Contracting Officer's express written consent.

c. The Government shall be afforded full, free, and uninhibited access to all facilities, installations, technical capabilities, operations, documentation, records, and data bases for the purpose of carrying out a program of inspection to ensure continued effectiveness and efficiency of safeguards against threats and hazards to data security, integrity, and confidentiality.

d. If either the Government or the Contractor discovers new or unanticipated threats or hazards, or if existing safeguards have ceased to function, the discoverer shall immediately bring the situation to the attention of the other party. Mutual agreement shall then be reached on changes or corrections to existing safeguards or institution of new safeguards, with final determination of appropriateness being made by the Government.

J.17 CONFIDENTIALITY OF INFORMATION

1. If the Contractor has access to confidential or proprietary information under this task order, the Contractor shall agree not to use confidential or proprietary information for its own use or to disclose such information to third parties unless specifically authorized by the Contracting Officer in writing. These obligations shall not apply to:

- a. Information which, at the time of receipt by the Contractor, is in public domain;
- b. Information which is published after receipt by the Contractor or otherwise becomes part of the public domain through no fault of the Contractor;

- c. Information which the Contractor can demonstrate was in its possession at the time of receipt and was not acquired directly or indirectly from the Government or other companies doing business with the Government;
 - d. Information that the Contractor can demonstrate was received by it from a third party that did not require the Contractor to hold it in confidence.
- 2. The Contractor shall secure, maintain and provide a copy to the IRS of the written IRS approved non-disclosure agreement for each employee permitted access, whereby the employee agrees that he/she shall not discuss, divulge or disclose any such information or data to any person or entity except those persons within the Contractor's organization directly concerned with the performance of the task order.
- 3. The Contractor agrees, if requested by the IRS, to sign an agreement identical, in all material respects, to the provisions of this clause, with each company supplying information to the Contractor under this task order. From time to time upon request of the Contracting Officer, the Contractor shall supply the Government with reports itemizing information received as confidential or proprietary and setting forth the company or companies from which the Contractor received such information.

J.18 INTERNAL SAFEGUARD INSPECTIONS

Contractors receiving Federal tax returns or return information shall conduct and document periodic inspections during the year (quarterly) to ensure that safeguards are adequate. These safeguard inspections are subject to oversight and review by IRS employees. The inspection records will be filed in a separate folder, and, for purposes of meeting IRC Section 6103(p)(4) requirements, will be retained for a minimum of three years. The documented periodic inspections will be submitted with the Safeguard Activity Report as described in J.18.2.

Safeguard inspections shall include the following items:

- (a) A review of the storage and handling of Federal tax data,
- (b) A review of how access to Federal tax data is granted to employees,
- (c) An assessment of facility security features,
- (d) Verification that Federal tax data has not been commingled with other information in such a way that its confidentiality could be inadvertently compromised,
- (e) A review of after-hours security measures,

(f) A review of access to safes or other secure storage containers or areas and of responsibility for changing keys or combinations as well as the exercise of that responsibility,

(g) An analysis of security procedures and instructions to employees,

(h) A review of the data processing operations, including computer systems,

(i) A review of the control and storage of magnetic media,

(j) An audit of the file room activity,

(k) Interviews of those charged with security responsibilities,

(l) A review of planned organizational changes to assure that security considerations are covered,

(m) A review of procedures for, and records of, disposing of or destroying tax information no longer needed by the Contractor, and

(n) Results of any after-hours inspections.

These inspections will be conducted with IRS personnel involvement, and will be subject to formal follow-up procedures for necessary corrective actions.

J.18.1 SAFEGUARD PROCEDURES REPORT

Written reports describing the safeguard procedures established and used to assure the confidentiality of Federal tax data shall be provided to the IRS at such times as the IRS may prescribe. Safeguard Procedures Reports and Safeguard Activity Reports are needed by the IRS to help ensure that Contractors are meeting safeguard requirements and as a source of information for the IRS's annual report to Congress.

The Safeguard Procedures Report (SPR) shall contain the following information:

(a) Name, title and telephone number of the official responsible for implementing safeguard procedures;

(b) A chart or description of the Contractor's organizational structure;

(c) A chart or description of the flow of Federal tax data through the organization from its receipt through its return to the IRS or its destruction. Pertinent delegation orders or equivalent legal authority which permits use, handling, access, etc., at each point in the flow of tax data shall be included;

(d) A determination whether Federal tax data is commingled with or transcribed into data kept by the organization;

(e) If applicable, a description of automated data processing (ADP) system(s) as they relate to Federal tax data, including system configuration, what data is processed, files/records created when processing tax data and which of these files/records contain such data, timesharing, internal system security (access controls, audit trails, and so forth), equipment, and area physical security, networks to remote terminals and/or other computers, and electronic transmissions of Federal tax data. Also, include any planned changes to your system (equipment, safeguards or processes);

(f) Copies of all written procedures and other related memoranda concerning the safeguards afforded to the Federal tax data, including a description of the permanent, standardized system of records maintained to record disclosures. These procedures shall, at the minimum, describe the physical security afforded Federal tax data, the access allowed to Federal tax data by employees, and the manner in which access is controlled. The procedures shall also describe in detail the manner in which Federal tax data is disposed of upon completion of use, to include the methods of destruction, the place of destruction, the time schedule for disposal, and the names and titles of the employees who are responsible for supervising destruction or disposal of Federal tax data. The procedures shall also describe the Contractor's security awareness program and controls used to restrict visitors, janitorial help and unauthorized employees in areas where Federal tax data is maintained;

In addition to the initial SPR, new SPRs shall be submitted when major changes occur in the processing and/or protection of Federal tax returns or return information. Examples include relocation of a major program operation, converting from a "paper" system to an on-line system, a major change of computer systems or system security, or major agency reorganization.

J.18.2 SAFEGUARD ACTIVITY REPORT

In addition to submission of the SPR, a written Safeguard Activity Report (SAR) shall be submitted annually. The report shall:

- a. Describe in detail significant changes in safeguard procedures or authorized access to Federal tax returns or return information and any changes or enhancements to physical and computer security measures used to safeguard Federal tax data.
- b. Include a copy of reports of internal inspections conducted to assure that all agency and authorized Contractor employees are adhering to the written procedures. Included shall be the names of offices visited, the specific items reviewed, what the findings were, and the overall safeguard awareness found. Specific items that shall be included in the inspection are enumerated in J.18, Internal Safeguard Inspections.

- c. Report the disposal of Federal tax data. The information shall be adequate to identify the material destroyed and the date and manner of destruction.

The SAR serves as the Contractor's certification that it is protecting return information. The content and thoroughness of your SAR will weigh heavily in determining the frequency and extent of the reviews conducted by the IRS. The SAR is due by January 31 of each year covering the preceding calendar year.

J.18.3 IRS SAFEGUARD REVIEWS

A safeguard review is an on-site evaluation of the measures used to protect Federal tax returns and return information received from the IRS and how such information is used. IRS conducts on-site reviews of safeguards on a regular basis. Other criteria will be considered in determining the need for a review. A written review plan will be provided by the IRS. The plan will include a list of records to be reviewed; the scope and purpose of the review; and a list of the specific areas to be reviewed and Contractor personnel to be interviewed.

Reviews cover the six areas of IRS Section 6103(p)(4) and, if applicable, need and use. Observing actual operations is a required step in the review process. Contractor employees may be interviewed during the on-site review, generally to clarify procedures or to ascertain employee awareness of security requirements and IRC penalty provisions. Contractor files will be spot checked to determine if they contain Federal tax data. Safeguard reviews are conducted to determine the adequacy of safeguards as opposed to an evaluation of the program. A review report will be issued. The Contractor will have an opportunity to provide comments that will be included in the report.

J.18.4 SUBMISSION OF REPORTS

The Safeguard Procedures Report is to be submitted 30 days before the scheduled receipt of Federal tax data. This report is required for the initial receipt of Federal tax data and not required for additional tax information received under the same disclosure authorization. However, if another program is entered into, procedures for the additional program shall be submitted 45 days before scheduled receipt of the program's Federal tax data, and may be accomplished by submitting either a revised procedures report or a separate procedures report for the new program. Further Safeguard Procedures Reports will be furnished at the request of the Service.

The Safeguard Activities Report shall be sent to the IRS, the report is to be submitted by January 31st., and cover the preceding calendar year. Federal oversight agencies set submission dates for agencies reporting to them.

J.18.5 REPORTING INDICATIONS OF IMPROPER DISCLOSURE

Upon discovery of a possible improper disclosure of Federal tax data by a Federal employee, Contractor employee or any other person, the individual making the observation or receiving the information shall contact the IRS COTR and the appropriate IRS oversight body.

J.18.6 RESTRICTION AGAINST DISCLOSURE

The Contractor agrees, in the performance of this contract, to keep the information contained in source documents or other media furnished by the Government in the strictest confidence, said information being the sole property of the Government. The Contractor also agrees not to publish, reproduce, or otherwise divulge such information in whole or in part, in any manner or form, nor to authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to such information while in the possession of the Contractor, to those employees needing such information to perform the Statement of Work, i.e., on a "need to know" basis, and agrees to immediately notify, in writing, the COTR in the event that it is determined or there is reason to suspect a breach of this requirement.

J.18.7 BACKGROUND INVESTIGATION (BI)

A Background Investigation (BI) will be conducted by the IRS on all Contractor personnel assigned to this contract or who have access to taxpayer data. Investigation requirements include:

- a. a Security Investigation Index Search of National Agencies;
- b. Criminal record checks covering a 7 year period of residency and employment;
- c. a credit check; and
- d. employment and reference vouchers.

At a minimum, the Contractor shall review each employee's or applicant's job application for completeness, including employment, education and address history. The Contractor's review shall also include, but not be limited to, a check of prior criminal activity and poor credit history to determine if any candidate should be disqualified before an IRS background investigation is requested.

Potential areas which may cause a preliminary negative BI include but are not limited to:

- 1. unresolved tax liabilities
- 2. un-filed tax returns
- 3. numerous disclosed unresolved collection accounts
- 4. undisclosed open collection accounts
- 5. failure to register with Selective Service
- 6. DUI/DWI offenses
- 7. disclosed or undisclosed judgements

TIRNO-03-H-00001

In accordance with Internal Revenue Manual 0736, the Contractor shall provide the COTR with the names of individuals who will be providing support for the contract utilizing Standard Form (SF) 85, Form - Questionnaire for Public Trust Positions (original and two copies); Form 5012 (2 copies); and Police Directive (PD)-70, Metropolitan Police Record Check (only to Washington, DC residents). The COTR will transmit this information to Inspection upon receipt.

A current individual security clearance granted by the Defense Industrial Security Clearance Office (DISCO) will be acceptable in lieu of a new investigation. However a Fingerprint Document (FD)-258, Fingerprint Card will be required for that individual along with a memorandum listing the following information: Name and Job title; Social Security Number, Citizenship, Date and Place of Birth; Security Clearance Level, Contract Number & Job; Length of Contract Employment, Date and Place Clearance Granted and Federal Supply Code (FSC)/Cage code. The cost of the fingerprinting only is estimated at \$58.00 each.

When submitting a package for a BI, the Contractor shall include a cover memorandum with the following information: Contract Number, Name of COTR, phone number and mailing address; Contractor company name; Name and address of the Contractor company to be billed; and price of BI. The Contractor shall reimburse the Government for all subject costs. Projected cost for a BI is \$275.00 each. The charge per case will be in accordance with the current rate at the time billing is initiated, the Contractor will be notified in advance by the COTR if there is a rate change.

The IRS will waive the expense of the initial 75 BI's performed on each Contractor's personnel.

3. POST AWARD EVALUATION OF CONTRACTOR PERFORMANCE

a. Contractor Performance Evaluations

Interim and final evaluations of contractor performance will be prepared on this contract in accordance with FAR Subpart 42.15. A final performance evaluation will be prepared at the time of completion of work. In addition to the final evaluation, interim evaluations will be prepared annually to coincide with the anniversary date of the contract (exercise of option(s)).

Interim and final evaluations will be provided to the Contractor as soon as practicable after completion of the evaluation. The Contractor will be permitted 30 days to review the document and to submit additional information or a rebuttal statement. Any disagreement between the parties regarding an evaluation will be referred to an individual one level above the Contracting Officer, whose decision will be final.

Copies of the evaluations, Contractor responses, and review comments, if any, will be retained as part of the official contract file, and may be used to support future award decisions.

b. Electronic Access to Contractor Performance Evaluations

Contractors that have INTERNET capability may access evaluations through a secure Web site for review and comment by completing the registration form that can be obtained at the following address: http://ocm.od.nih.gov/cdmp/cps_contractor.htm

The registration process requires the contractor to identify an individual that will serve as a primary contact and who will be authorized access to the evaluation for review and comment. In addition, the Contractor will be required to identify an alternate contact who will be responsible for notifying the cognizant contracting official in the event the primary contact is unavailable to process the evaluation within the required 30-day time frame.

4. SECTION 508 COMPLIANCE

Effective June 25, 2001, the Federal government implemented Section 508 of the Rehabilitation Act of 1973, Amendments of 1998 (29 U.S.C. § 794(d)). Section 508 requires the federal government to only acquire electronic and information technology (EIT) goods and services that provides for access by persons with disabilities

The Contractor shall provide a comprehensive, specific list of all offered EIT products (supplies and services) that fully comply with Section 508 of the Rehabilitation Act of 1973, per the 1998 Amendments, and the Architectural and Transportation Barriers Compliance Board's Electronic and Information Technology Accessibility Standards at 36 CFR Part 1194.

The Contractor shall clearly indicate where this list with full details of compliances can be found (e.g., Contractor's or other exact web page location).

The Contractor shall ensure that the list is easily accessible by typical users beginning five calendar days after task order award. The Contractor shall maintain this detailed listing of compliant products for the full contract term, including all forms of extensions, and shall ensure that it is current within three calendar days of changes to his product line.

The Contractor shall ensure that all EIT products that are less than fully compliant are offered pursuant to extensive market research, which ensures that they are the most compliant products and services available to satisfy this solicitation's requirements.

For every EIT product accepted under this contract by the Government that does not comply with 36 CFR Part 1194, the contractor shall on 30 days notice, at the discretion of the Government, make every effort to replace or upgrade it with a compliant equivalent product or service, if commercially available and cost neutral."

For more information, see www.section508.gov.

PART III

LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

CONTRACT ATTACHMENTS

<u>ATTACHMENT</u>	<u>TITLE</u>	<u>NO. OF PAGES</u>
1.	PRICING SCHEDULE	
2.	BALANCED METRICS SCORECARD	
3.	INVENTORY REPORT	SAMPLE ONLY
4.	DATA EXCHANGE FORMAT/FILE SPECIFICATIONS	ILLUSTRATIVE
5.	DEFINITIONS	
6.	POSITION DESCRIPTIONS/QUALIFICATIONS	
7.	BACKGROUND INVESTIGATION INFORMATION Q&As	
8.	INDIVIDUAL RESUME FORMAT	
9.	SUBCONTRACTING PLAN	
10.	CERTIFICATION OF LICENSING	(TO BE PROVIDED BY VENDOR)
11.	IRS NON-DISCLOSURE AGREEMENT	
12.	CONSENT TO DISCLOSURE OF TAX INFORMATION	
13.	PRIVACY ACT STATEMENT FOR PRIVATE CONTRACTORS	
	CONTRACTING OUT OF COLLECTION WORK	

SOLICITATION ATTACHMENTS

- A VALIDATION OF OFFEROR'S DEMONSTRATED EXPERIENCE
- B SECTION 508 COMPLIANCE CHECKLIST

SECTION IV
SOLICITATION PROVISIONS

GENERAL

The Government will award indefinite delivery/indefinite quantity task orders to Offerors through contracts procured through the General Services Administration (GSA) Schedule for Financial and Business Solutions (FABS), under Special Item Number 520-4, Tax Collection Services.

The IRS intends to make multiple awards, perhaps as many as 10 to large business concerns and approximately 2 awards to small business concerns. *Note:* the award mix may change depending on the quality of offers submitted by respondents

A written notice of award or acceptance of an offer, mailed or otherwise furnished to the successful Offerors within the time for acceptance specified in the offer, shall result in an agreement without further action by either party. Before the offer's specified expiration time, the Government may accept an offer (or part of an offer), whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award.

**1. 52.252-1 SOLICITATION PROVISIONS INCORPORATED BY
REFERENCE (FEB 1998)**

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer.

Also, the full text of a solicitation provision may be accessed electronically at this/these address(es):

NUMBER	TITLE	DATE
52.212-1	Instructions to Offerors – Commercial Items	OCT 2000

2. ADDENDUM TO FAR 52.212-1:

a. Subparagraph (a):

North American Industry Classification System (NAICS) code is **561440.**
The corresponding small business size standard is **\$6,000,000.**

b. Subparagraph (b) *Submission of offers* is amended to incorporate the following:

The Offeror shall submit all its offer information by following the procedures below:

(1) The offer shall include 5 copies of proposal on CD-ROM or 3½ " diskette and one paper copy with original signatures, including a copy of the Authorized Federal Supply Schedule (FSS) Price List for Debt Collection, Special Item Number 520-4.

Offers are due no later than 3:00 PM, EST on date to be determined.

Offers shall be delivered to:

Internal Revenue Service
Office of Procurement Operations
Attn: Helen D. Carmona, A:P:O:S
Constellation Centre Building – 5th Floor
6009 Oxon Hill Road
Oxon Hill, MD 20745

(2) Offers or amendment to offers received at the address specified for receipt of offers after the exact time specified for receipt of offers will not be considered.

(3) If an offeror has a request for a modification to their GSA schedule contract that is still pending (for instance, to modify their prices for Administrative Resolutions), the offeror shall notify IRS of this fact when submitting their proposal and shall then provide a copy of the revised Authorized FSS Price List when the amendment is approved by GSA. The Offeror may propose at the pending rate while awaiting approval of the amendment by GSA.

c. Subparagraph (b)(6): Complete and return B.3 - Price Schedule.

d. Subparagraph (b)(8): See Section V - Offeror Representations and Certifications.

e. Subparagraph (b)(10): Offerors shall submit Corporate Past Performance Information in accordance with Part IV, item 3.5.1 Technical Evaluation Criteria, Criterion 2 – Corporate Experience and Past Performance.

- f. **Subparagraph (c):** *Period for acceptance of offers* is amended as follows:

The offeror agrees to hold the prices in its offer firm for **180 calendar days from the date specified for receipt of offers.**

- g. **Subparagraph (h):** *Multiple awards* is amended as follows:

PROHIBITION OF MULTIPLE CONTRACTS BY A SINGLE ENTITY

No Contractor will receive more than one award (i.e., individual divisions within a single company or firms with a common parent cannot receive separate task order awards).

However, affiliated companies can each submit a proposal if each operates as a totally independent business, with separate organizational, financial, and decision-making hierarchy but in no instance will more than one task order be awarded to other affiliated companies. In addition, following the award of task orders, should any awardees merge; only one task order will remain in effect. Consolidation of paying and non-paying inventory and historical business results will be combined into a single task order.

The IRS reserves the right to limit the amount of placements that can be given to any single Contractor under this task order as part of prudent risk management. Evaluation of performance for monetary bonuses and placement allocation to awardees subsequent to a merger or acquisition shall include the combined performance data for the individual entities as if the combined entity had been in place for the portion of the period of performance under evaluation.

- h. **Subparagraph (j):**

FAR 52.204-6 DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER (JUN 1999)

(a) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "DUNS" followed by the DUNS number that identifies the offeror's name and address exactly as stated in the offer. The DUNS number is a nine-digit number assigned by Dun and Bradstreet Information Services.

(b) If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one. A DUNS number will be provided immediately by telephone at no charge to the offeror. For information on obtaining a DUNS number, the offeror, if located within the United States, should call Dun and Bradstreet at 1-800-333-0505. The offeror should be prepared to provide the following information:

- (1) Company name.
- (2) Company address.
- (3) Company telephone number.
- (4) Line of business.
- (5) Chief executive officer/key manager.
- (6) Date the company was started.
- (7) Number of people employed by the company.
- (8) Company affiliation.

(c) Offerors located outside the United States may obtain the location and phone number of the local Dun and Bradstreet Information Services office from the Internet home page at <http://www.customerservice@dnb.com>. If an offeror is unable to locate a local service center, it may send an e-mail to Dun and Bradstreet at globalinfo@mail.dnb.com.

3. PROPOSAL PREPARATION INSTRUCTIONS

3.1 FIRMS ELIGIBLE TO COMPETE FOR AWARD

Only firms listed on the appropriate GSA Financial and Business Solutions (FABS) Schedule, Special Item Number 520-4, on the date offers are due, are eligible to compete for task order awards under this request.

In accordance with GSA FSS procedures, all team members must have a current GSA FABS Federal Supply Schedule contract.

3.2 BIDDERS CONFERENCE

Offerors are invited to participate in any Bidders Conference(s). The date(s), time(s) and location(s) for the bidder's conference(s) will be sent to Offerors eligible to compete for task order awards under this request.

During the session(s), Offerors are invited to provide comments on the scope of work, methodology, or any other issue regarding this Request for Task Order Proposal.

Offerors are encouraged to submit questions in advance, by a date to be established by IRS, to ensure inclusion in conference material.

3.3 GENERAL

(a) Offerors are expected to examine all instructions. Failure to do so will be at the offeror's risk.

Offers are expected to be prepared in accordance with this section. To aid in the evaluations, offers shall be clearly and concisely written as well as neat, indexed (cross-indexed as appropriate) and logically assembled. Prospective offerors are asked to bear in mind that all material submitted should be directly pertinent to the requirements of this RFQ. All pages of each part shall be appropriately numbered, and identified with the name of the offeror, the date, and the solicitation number to the extent practicable.

(b) Overall Arrangement of Offer:

(1) The overall offer shall consist of 2 physically separated volumes, individually entitled as stated below. The required number of each volume and the required packaging and grouping is also shown in the matrix below:

			TO BE PACKAGED AS FOLLOWS	
PROPOSAL VOLUME	TITLE	TOTAL COPIES REQUIRED	ORIGINALS Group #1	Group #2 CDs or 3.5" diskettes
VOLUME I	Offer and Other Documents	6	1	5
VOLUME II	Technical Proposal	6	1	5

3.4 VOLUME I - OFFER AND OTHER DOCUMENTS

(a) General. Volume I - Offer and Other Documents consists of the actual offer to perform the desired work. It also includes a copy of the GSA/FSS/FABS detailed pricing schedule, required representations, certifications, any acknowledgments, identification of technical data to be withheld, request for waiver of patent clauses, any other administrative information, and a summary of exceptions and deviations taken. Although it incorporates them by reference, it does not physically include the other volumes.

(b) Format and Content. Volume I, Offer and Other Documents, shall include the following documents (in the order listed):

(1) STANDARD FORM 1449 (SF 1449). The SF 1449 shall be executed fully and used as the cover sheet (or first page).

(i) **SIGNATURE AUTHORITY:** The person signing the SF 1449 must have the authority to commit the offeror to all of the provisions of the proposal, fully recognizing that the Government has the right, by terms of the RFQ, to make an award without further discussions, if it so elects.

(2) **OFFERING LETTER** (1 page)

(3) **Copy of GSA Schedule Contract for SIN 520-4**

(4) **PRICE PROPOSAL** (Part I, Section B of this draft contract document): In this section, the offeror shall provide its' price proposal (Attachment 1, Pricing Schedule).

Offerors shall propose their schedule rate (fee) or a discounted fee for this RFQ. There shall be one fee for each inventory segment as described in Attachment 1, Pricing Schedule, Tables A, B and C and as further defined in the SOW.

Offerors proposing rates either above or below the target rates shall justify the rates in their business proposal and demonstrate that they are capable of providing an appropriate level of labor and non-labor resources at the proposed rates and the impacts on net collections and balanced metrics scorecard results.

(5) **OFFEROR REPRESENTATIONS, AND CERTIFICATIONS – COMMERCIAL ITEMS** (See Section VI), shall be fully executed and a copy included in each copy of Volume I, Offer and Other Documents.

(6) **COMPETITION IN SUBCONTRACTING.**

a. See clauses entitled "Subcontracts (Fixed-Price Contracts)" and "Competition in Subcontracting" of Section II of the solicitation/draft contract.

b. The offeror shall select proposed subcontractors (including suppliers) on a competitive basis to the maximum practicable extent consistent with the objectives and requirements of the solicitation. Competitive solicitation of proposed subcontractors shall be discussed in this section. Non-competitive selection of proposed subcontractors must be justified.

c. Unless expressly provided in any resulting task order, award of the order shall not be construed as the consent or authorization by the IRS to the selection of any proposed subcontractor.

(7) SMALL BUSINESS PARTICIPATION PROGRAM -TARGETS
(This clause is not applicable to the small business firms)

a. Each Offeror will submit a Subcontracting Plan at time of proposal submission as outlined in (e) below.

b. The Contractor will be evaluated on management of proposed subcontractors.

c. All subcontracting of services under this task order must be approved in advance by the IRS Contracting Officer and Contracting Officer's Technical Representative (COTR) prior to initiation of any subcontracted service.

Subcontracting of collection services is not expected to be approved at this time.

d. Subcontracting Targets

(Expressed as percentage of total contract value)
(Targets should be rounded to the nearest 1/10 of a percent.)

	Target
Small Disadvantaged Business	(min. 0.1%) _____ %
Women-Owned Small Business	(min. 0.1%) _____ %
HUBZone Small Business	(min. 0.1%) _____ %
Other Small Business	(NA) _____ %
Total All Small Business	(min. 0.5%) _____ %

(Inclusive of categories above and any other small business concerns)

(8) ADDITIONAL INFORMATION PROVIDED BY THE OFFEROR.
Any additional information necessary to provide clarity and completeness to the proposal should be addressed here.

(9) EXCEPTIONS AND DEVIATIONS TAKEN TO THE MODEL
CONTRACT

(a) The Offeror shall identify and explain any exceptions or deviations taken or conditional assumptions made with respect to the model contract, any portion of Section VI- Offerors Representations and Certifications, the requirements of this Section, and other matters included in Volume I - Offer and Other Documents, including the reporting requirements.

(b) Any exceptions, etc., taken must contain sufficient amplification and justification to permit evaluation. The benefit to the Government shall be explained for each exception taken. Such exceptions will not, of themselves, automatically cause a proposal to be termed unacceptable. However, a large number of exceptions, or one or more significant exceptions not providing benefit to the Government may result in rejection of your offer as unacceptable.

(10) **SUMMARY OF EXCEPTIONS AND DEVIATIONS TAKEN IN OTHER VOLUMES:** The Offeror shall summarize each technical or cost or other exception taken elsewhere, and provide specific cross references to its full discussion.

The submission of these items to the Government will constitute the offeror's promise to comply with the terms and conditions of the quote, which includes this Request for Task Order Proposal and all attachments including the Statement of Work at the proposed prices.

3.5 VOLUME II - TECHNICAL PROPOSAL

(a) General.

The Offeror's Technical Proposal (Volume II) shall have a maximum number of **60 double-spaced** pages that the Evaluation Panel will evaluate. This page limitation does not include the table of contents or the resumes of the company and key personnel.

Page numbering and company identification/letterhead information may be included in the top and bottom margins. **Pages beyond the maximum limit will not be evaluated.** In addition, the Volume II pages shall follow the following formats:

(1) All pages shall be one-sided and 21.59 cm by 27.94 cm in size (i.e., 8½ x 11 inches). Offerors may substitute fold out pages up to 27.94 cm by 43.18 cm (i.e., 11 by 17 inches). Each fold out page will be counted as two (2) pages. Magazine formatting (two columns per page) is not permissible.

(2) Top, bottom, and both side margins shall be no less than 2.54 cm (i.e., 1 inch).

(3) Each page font shall be no smaller than 12-point with standard proportional fonts (e.g., COURIER) for all text material. Offerors' may use captions no smaller than 6-point fonts; however, captions shall be appropriately used.

(4) All pages shall be on white paper.

(5) Graphics. Each graphic page font shall be no smaller than 6-point. Graphics, which are not easily read by a person with normal vision, will be downgraded.

The technical proposal consists of the offeror's proposed approach to the work addressing the business management aspects of the acquisition, the resources the offeror will use, and how the resources will be used. The technical proposal will be evaluated in accordance with the evaluation criteria in Section IV of this RFQ. It should be prepared simply and economically, providing a straightforward, concise delineation of information provided to satisfy the requirements below.

THE PROPOSAL SHALL NOT MERELY OFFER TO PERFORM WORK IN ACCORDANCE WITH THE SCOPE OF WORK, BUT SHALL OUTLINE THE ACTUAL WORK PROPOSED AS SPECIFICALLY AS PRACTICAL. The Statement of Work reflects the problems and objective of the program under consideration; therefore, repeating the scope of work without sufficient elaboration will not be acceptable.

(b) Format and Content. At a minimum, the technical proposal shall contain the information specified below in accordance with the following general format:

- 1) Table of Contents
- 2) List of Tables and Exhibits
- 3) Technical Discussion (see *Note* below)
- 4) Exceptions and Deviations

NOTE: Section 3 – This part shall clearly present information in order to be fully evaluated against each of the evaluation criteria in RFQ Section IV. This part shall include the following:

3.5.1 Technical Evaluation Criteria

Criterion 1 Corporate Experience and Past Performance

The Offeror shall describe its experiences and successes in the collection of debt owed to the Federal Government, State and Local Governments, Student Loans and collection of consumer and commercial debt. The Offeror shall provide a discussion that describes their past experience in work of this nature (debt-collection services).

Describe the corporate process employed to ensure quality work efforts and customer treatment/satisfaction.

TIRNO-03-H-00001

The Offeror shall provide information that details the number and type of complaints, pending law suits, fines or judgements, legal actions, Federal Trade Commission or other Government agency consent orders, or allegations of improper activity lodged against the Offeror relating to its performance in debt collection and related activities within the past 2 years.

On a Corporate-level, the Offeror shall submit a company resume with the following information:

Nation-wide collection experience (number of years) with a list of projects for the last 3 years – maximum of 5 projects

State or Local government experience (number of years) with a list of projects for the last 3 years – maximum of 5 projects

Federal government experience (number of years) with a list of projects for the last 3 years – maximum of 5 projects

Student Loan experience (number of years) with a list of projects for the last 3 years – maximum of 5 projects

Other collections experience (commercial; loans; fines; fees; etc) with a list of projects for the last 3 years – maximum of 5 projects

The Offeror shall identify at least 3 and not more than 5 contracts similar in size and scope performed in the last 5 years, which required work most similar to that described in the Statement of Work. Identify each contract by type. Preferably, at least one of the contracts identified should be currently active. Provide the following information for each contract:

(a) Contracting agency or firm, with address, e-mail address, FAX and telephone number.

(b) Date of contract, period of performance, and place(s) of performance and/or pick-up point(s).

(c) Address, e-mail address, FAX and telephone number of Contracting Officer and Technical Contract Manager.

(d) Whether this contract was terminated (partially or completely). If so, explain.

(e) One-page description of contract work scope and responsibilities; show how these efforts are similar to this proposed effort.

(f) If this is a subcontract, please provide the name of the prime contractor and the name of the Contract Administrator with address, e-mail address, FAX and telephone number.

The Offeror shall provide the form shown at Solicitation Attachment B, Validation of the Offeror's Demonstrated Experience to each reference.

The Government reserves the right to contact the Offeror's references provided in the Offeror's proposal as examples of experience to discuss and verify the information provided in the Offeror's proposal.

The information gathered from these contacts will be used in the evaluation of the Offeror's past performance/experience. Any negative information will be provided to the Offeror for comment during the proposal evaluation process.

All references must be received timely. Only 1 follow-up call will be made to any non-responsive reference. If references are not provided, the offeror will be considered to have no past performance.

Criterion 2 Key Personnel

The Offeror shall submit resumes (see Attachment 8, Individual Resume Format) and reference information to verify work experience with similar work for all proposed key personnel. The resumes shall contain the following information:

State or Local government debt collection related activities experience
(number of years)

Federal government activities experience (number of years)

Student Loan activities experience (number of years)

Other collection-related (commercial; loans; fines; fees; etc) experiences
(type and number of years)

The Offeror shall describe its' proposed key personnel and collectors cumulative experiences in the collection of debt owed to the Federal Government, State and Local Governments, Student Loans and collection of consumer and commercial debt.

The Offeror shall provide information on its' personnel turnover rate.

Criterion 3 Collections Approach

The Offeror shall provide information that details its approach to satisfy the requirements outlined in the statement of work. The Offeror shall specifically address its methods of attempting telephone contacts, direct mailing efforts, and skip-tracing, proposed mix of new versus experienced collectors, training process, monitoring and compliance programs.

Criterion 4 Management Plan

The Offeror shall describe its approach/method to organize, staff, train, and manage the work as outlined in the Statement of Work.

The Offeror shall describe its' training plan relative to the Statement of Work. The training plan shall address initial and refresher (re: changes in applicable laws effecting debt collection) training on all applicable Federal, State and Local laws and regulations, Taxpayer Bill of Rights, IRS Policies and Procedures. The Offeror shall describe its method of training its employees on interaction with the taxpayers.

The Offeror shall describe its' physical security, data integrity, communications security, disaster recovery plan, and personnel security relative to the Statement of Work.

If subcontracting is anticipated, the Offeror shall describe its methods to manage proposed subcontractors, including work distribution and management approach to ensure all task order requirements are met by the subcontractor(s).

Criterion 5 Corporate Resources

The Offeror shall describe its ability and capacity to provide sufficient staffing and other resources, such as communications and data processing capacity, to effectively perform the work required in this RFQ at its proposed facility location.

Describe the Offeror's capability and commitment to train staff for successful performance for this effort.

Describe the Offeror's plans for acquiring personnel, data processing, communications, training and other resources not already available, including the Offeror's description of recruitment policies and procedures.

The Offeror shall describe its methodology for ensuring that personnel intended for work on this contract are capable of passing the government's Background Investigation.

TIRNO-03-H-00001

The Offeror shall describe its computer and telephone systems proposed for use on this contract, including:

1. a description of hardware and software (including version),
2. a diagram of the proposed systems architecture, and
3. whether systems meet security and technical requirements as described in Sections J.7 and J.8 of the Statement Of Work or describe modifications that will make them compliant.

Criterion 6 Corporate Systems Capabilities

Provide a description of the corporate systems capability, i.e., reporting, interface with IRS, account flow activity (in chart form) and capacity, addressing the topics below:

Method/ability/experiences to satisfy the requirements detailed in the Statement of Work.

- a. Describe how your system reports will be able to address the requirement of this contract as outlined in the Statement of Work and Schedule of Deliverables.
- b. Describe the collections inventory management system, auto dialer, and any additional telephone equipment that would be used on an IRS contract.
- c. Describe how the remote monitoring requirements and audit requirements described in Statement of Work, J.9.1 and J.9.2 will be met.
- d. Describe how the Security and Privacy requirements will be met.
- e. Describe the IT structures' ability to provide ad-hoc (on demand) reports and the turnaround time on requests.
- f. Explain how the system will be capable of handling account transfers, EFTs, data transfers and updates, etc.
- g. Use flow charts to indicate the plan to handle account flow.
- h. Explain the recovery rate in recent collection experience. Performance information must be provided, at minimum, on an annual basis.
 1. Explain how the recovery rate is calculated.

2. Explain how the recovery rate compares to other companies on the same project(s) and in the industry for comparable time periods.
- i. Indicate the largest volume of accounts the system has handled and estimate the system's capacity.
- j. Describe the process to be employed to ensure quality work efforts and customer treatment.
- k. Please describe any pending lawsuits, fines or judgments in the past 2 years, or FTC or other governmental agency consent orders.

Criterion 7 Computer System (Files Transmission & Receipt) Testing

The Offeror shall describe its computer system and its capabilities to receive and decrypt files, mimic operations, update files, and encrypt and return files and meet the security requirements described in Sections J.7 and J.8. A description of the Offeror's system requirements is in the Statement of Work, Section J.7 and Section J.8. (See also, Attachment 4, Data Exchange Format/File Specifications)

Criterion 8 Evaluation of 508 Requirements

The Offeror shall document how their proposed system(s) satisfy the requirements of 508 (see Solicitation Attachment C). For more information, see www.section508.gov.

3.6 TECHNICAL RANKINGS

Following the initial evaluation of offerors, a technical ranking will be made to determine the most highly qualified offerors. Only those offerors determined to be 'most highly qualified' will be scheduled for the oral presentation evaluation phase. At the conclusion of each offeror's oral presentation, clarifications and discussions will occur in accordance with FAR 15.610, Written or Oral Discussion. Those Offerors determined to be competitive after the oral presentation will be scheduled for a site visit.

NOTE: The evaluation panel may determine, based on the number of Offerors determined to be competitive and for logistical and scheduling reasons, to combine the oral presentations and the site visits.

3.7 ORAL PRESENTATION AND SITE VISIT

3.7.1 ORAL PRESENTATION

The oral presentation shall be conducted at an IRS location in the metropolitan DC area. The presentation shall be specific and detailed as outlined below, relative to the evaluation criteria set forth in Section V. It is not desired that the offeror restate its written proposal. The offeror's oral presentation shall be conducted by no more than four representatives for the proposing organization. Notification of the individual offeror's scheduled oral presentation (date, time and location) will be provided by the Contracting Officer in writing within **30 business days** after the closing date of the RFQ.

(a) Oral Presentation. The technical information to be addressed in the oral presentation is set forth below. The evaluation of this information is set forth in Section V. Offerors shall ensure that the following points are fully and clearly addressed in the site visit/oral presentation:

- o The offeror's demonstrated ability to integrate all phases of the work for successful performance, including but not limited to interface with IRS, security arrangements, case processing, computer systems, telephone capabilities, database management and reports, capacity and effectiveness of data processing and communications.
- o Project Manager and IRS Program Manager - the Offeror should demonstrate that its key managers have the knowledge and expertise to manage a worksite of this nature, and are familiar with the requirements of this RFP.

NOTE: The demeanor of personnel conducting the presentation is not evaluated - only the information content and apparent knowledge of the individual. Professional assistance in preparing for the oral presentation is not necessary or warranted.

(b) Schedule for Presentations. The offeror oral presentations will be no more than 90 minutes in duration each. The presentations will be scheduled as tightly as possible, but the duration of the entire presentation process will be dependent upon the number of offers determined to be 'most highly qualified'.

To the extent possible, the IRS will attempt to coordinate and accommodate the scheduling needs of each offeror. Once notified of the scheduled date and time for their oral presentation, offerors shall complete their presentations on the scheduled date and time. Requests from offerors to reschedule their presentations will not be entertained, and no rescheduling of presentations will be done unless determined necessary by the Government to resolve unanticipated problems or delays encountered in the presentation process.

3.7.2 SITE VISIT

Upon the completion of the oral presentation and price negotiation the IRS will schedule site visits with offerors still deemed to be “most highly qualified”. The site visit shall be conducted at one of the offeror’s current work sites that most closely resembles its proposed work site for this effort. The visit and presentation shall be specific and detailed as outlined below, relative to the evaluation criteria set forth in Section V. It is not desired that the offeror restate its written proposal. The offeror's presentation shall be conducted following the site tour before the Evaluation Panel (EP) and authorized procurement personnel. The specific technical criteria that must be addressed in the site visit and presentation are set forth below.

(a) Site Visit and Presentation. The technical information to be addressed in the site visit and presentation is set forth below. The evaluation of this information is set forth in Section V. Offerors shall ensure that the following points are fully and clearly addressed in the site visit and presentation:

- o The offeror's demonstrated ability to integrate all phases of the work for successful performance, including but not limited to interface with IRS, security arrangements, case processing, computer systems, telephone capabilities, database management and reports, capacity and effectiveness of data processing and communications.
- o Computer capabilities, telephone equipment and operations, and security measures. To support its technical proposal, the offeror shall provide a tour and explanation of its current computer capabilities, telephone equipment and security measures at one of its current work sites that most closely resemble its proposed work site for this contract. Overall security measures will be reviewed.
- o Project Manager and IRS Program Manager - the Offeror should demonstrate that its key managers have the knowledge and expertise to manage a worksite of this nature, and are familiar with the requirements of this RFP.

NOTE: The demeanor of personnel conducting the presentation is not evaluated - only the information content and apparent knowledge of the individual. Professional assistance in preparing for the site visit and presentation is not necessary or warranted.

(b) Schedule for Presentations. The scheduling of offeror presentations will begin within 15 business days after the completion of the oral presentations. The site visits will last no more than 2 hours in duration each and will be scheduled as tightly as possible. The duration of the entire site visit and presentation will be dependent upon the number of offers visited and the geographic location of those firms.

To the extent possible, the IRS will attempt to coordinate and accommodate the scheduling needs of each offeror. Once notified of the final scheduled date and time for their site visit and presentation, offerors shall complete their site visits on the scheduled date and time. Requests from offerors to reschedule their visits will not be entertained, and no rescheduling of visits will be done unless determined necessary by the Government to resolve unanticipated problems or delays encountered in the visit process.

(c) Form of Presentations. Offerors shall make their oral presentations in person to the EP. Submission of videotapes or other forms of media containing the presentation for evaluation, in lieu of the oral presentation, will not be authorized and such technical proposals will be rejected. Elaborate presentations are not desired.

(d) Offerors' Presentation Team. Only members of the offeror's in-house staff shall participate in the presentation. The only exception is that any individuals who are proposed as key personnel to perform on the contract, but who are not currently employed by the offeror, may participate in the presentation. Within those constraints, offerors shall have the option of selecting the participants to make their firm's oral presentation to the EP and procurement personnel.

It is strongly recommended that all proposed key personnel be involved in conducting the site visit and oral presentation.

(e) Documentation. At the close of the presentation, the offeror shall provide the EP with a listing of the names, firms, and position titles of all presenters. Additionally, the Offeror may provide not more than 2 copies of any presentation materials, such as slides or view graphs, which have been used in the presentation (via mail to the Contracting Officer, at the Offeror's own expense); these materials will be retained for reviewing purposes but will not be evaluated or scored.

(f) Time Allowed for Presentations. Each offeror will have a maximum of 90 minutes to conduct the oral presentation to the EP. Each offeror will have a maximum of two hours to conduct the site visit with the EP. *Time taken to respond to impromptu questions posed by the EP during the site visit/oral presentation will not be counted against the time limit.* Time for discussions with IRS Evaluation Panel and authorized procurement personnel is not included in this time frame, but will follow the tour and presentation, if necessary.

At the conclusion of the offeror's oral presentation and site visit, the EP will present any clarification and/or discussion questions that may develop as a result of the evaluation of the technical proposal, the site visit and/or the oral presentation. If there are no questions, the EP will inform the offeror that their individual presentation is concluded. If discussions are held with the offeror, any necessary revisions to the written technical proposal shall be submitted with the Revised Final Offer.

3.8 REVISED FINAL OFFER

Upon completion of clarifications and/or discussions, all remaining 'most highly qualified' offerors will be offered the opportunity to submit a Revised Final Offer (RFO). Following the evaluation of the RFOs, those offers determined to be most advantageous to the Government, considering price and other related factors will be selected for task order awards.

3.9 INQUIRIES/TECHNICAL QUESTIONS

Offerors are instructed specifically to contact only the office issuing this solicitation about any of the requirements contained in the solicitation. Prospective Offerors are cautioned against contacting IRS technical personnel in regard to this solicitation prior to award. The circumstances of such a contact, when verified, will result in non-consideration of the Offeror's proposal. Accordingly, unless specified elsewhere, all communications prior to award shall be directed to:

Helen Carmona (202) 283-1514 (Fax) Helen.D.Carmona@irs.gov

Inquiries and correspondence shall be submitted in writing, via electronic mail, to the Contracting Officer (see above) issuing the solicitation. Written responses to all pertinent questions will be provided to all Offerors (with due regard to the proper protection of proprietary information) in the form of an amendment to the solicitation. All amendments to the solicitation will be posted on the IRS procurement web site. Paper copies of amendments will not be distributed to Offerors.

3.10 DISPOSITION OF OFFERS

After award of Orders resulting from this solicitation, unsuccessful offers will be disposed of in the following manner:

The issuing contracting office will retain the original copy of each offer and the remainder will be destroyed.

SECTION V

EVALUATION of OFFERS

1. EVALUATION OF OFFERORS

a. *Award.* The Government will award individual task orders resulting from this solicitation to the responsible offerors whose offer, conforming to the solicitation, will be most advantageous to the Government, price and other factors considered. It is the intent of the IRS to award up to twelve task orders inclusive of two small business task orders. The following factors will be used to evaluate initial offers:

b. *Options.* The Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. The Government may determine that an offer is unacceptable if the option prices are significantly unbalanced. Evaluation of options shall not obligate the Government to exercise the option(s).

2. BASIS FOR SELECTION

2.1 TECHNICAL EVALUATION

The technical selection process consists of 2 phases:

Phase 1 - The IRS will evaluate the Offerors' technical capability, based on strengths and weaknesses. Those Offerors' the IRS determines to be most highly qualified after the full evaluation, including oral presentations and site visits will move to Phase 2.

ORAL PRESENTATION AND SITE VISIT

IRS personnel will receive oral presentations and visit the site locations of those offerors determined, on the basis of the written proposal, to be *most highly qualified*. The IRS will evaluate:

1. Oral presentations of offeror's ability to integrate all phases of the work for successful performance (including but not limited to interface with IRS, security arrangements, case processing, computer systems, telephone capabilities, database management and reports, capacity and effectiveness of data processing and communications facilities).

2. Offeror's computer capabilities, telephone equipment and operations, and security measures. To support its technical proposal, the offeror shall provide a tour and explain its current computer capabilities, telephone equipment and operations, and security measures at one of its current work sites that most closely resemble its proposed work site for this contract. Overall physical and data security measures will be discussed as well.

3. Project Manager's and Site Supervisor's knowledge and expertise to manage a worksite of this nature, and demonstrated familiarity with the requirements of this RFQ will be evaluated.

Phase 1a - The IRS will analyze the Offeror's proposed fees to establish a negotiation objective fee. The IRS will negotiate to a single fee (i.e., the same fee for all awardees) for each proposed category of work with the Offerors determined to be the most technically qualified. If an Offeror is unable to negotiate to the single fee, that Offeror shall be eliminated from further consideration for award unless the IRS is satisfied the proposed fee will not result in lower net collections or Attachment 2 - Balanced Metrics Scorecard ('scorecard') results.

Proposed rates will be evaluated based on a balance of the following sub-factors:

- Incentive - The rates must be high enough to ensure that PCA's have an incentive to maximize program performance.
- Compensation - PCA's must be adequately compensated to cover their reasonable costs with a fair profit to promote ongoing investment in the program.
- Cost to IRS - The rates must be low enough that IRS receives a reasonable return on its assets providing value to the taxpayers.

The IRS has established Target Rates that it considers fair and reasonable prices. IRS considers the Target Rates to represent the optimal balance of the above three sub-factors.

Phase 2 - Those Offerors who are most highly qualified technically, based on technical strengths and weaknesses and who have reached agreement on/negotiated to the single fee, shall proceed to the PASS/FAIL computer system test (file transmission and receipt).

The Offeror's system must pass all elements of the system/file transmission and receipt test to be considered for award.

System test scripts will be provided to the Offerors prior to system testing.

Offerors will have no more than two opportunities to correct system failures and/or technical deficiencies and successfully pass the computer system test.

If any of the Offerors determined to be the *most highly qualified* fails to pass the system test, the IRS reserves the right to invite the next highest ranked Offeror(s) to test their system.

3. PRICE ANALYSIS

Price analysis will be conducted in accordance with the applicable techniques cited at Federal Acquisition Regulation 15.805-2.

4. SUBCONTRACTING PLAN EVALUATION

NOT APPLICABLE TO SMALL BUSINESSES

The evaluation of this factor will consider the Offeror's proposed small business and small disadvantaged business subcontracting plan submitted in accordance with Section II, 2.c.4.(j) Statement of Work, Section IV, 3.4(b)(6)(e) and Section III, Attachment 12, Subcontracting Plan.

Non-compliance with the Subcontracting Plan requirements will be addressed during negotiations. Be advised: zero dollar and zero percentage goals are not acceptable.

- **Proposed Plan.** The Offeror's proposed plan will be evaluated to determine whether it represents the maximum practicable opportunity for subcontracting. Maximum practicable opportunity is defined as reaching or exceeding the IRS goals specified in Attachment 12.
- **Previous Performance.** The Offeror's record of previous performance in carrying out the goals of the subcontracting plan (Attachment 12) will be considered for this sub-factor.

5. EVALUATION OF 508 REQUIREMENTS

The IRS will evaluate the submitted documentation that details how their proposed system(s) satisfy the requirements of 508.

SECTION VI

OFFEROR REPRESENTATIONS AND CERTIFICATIONS

1. 52.212-3 OFFEROR REPRESENTATIONS AND CERTIFICATIONS -- COMMERCIAL ITEMS (JUL 2002)

(a) *Definitions.* As used in this provision:

"Emerging small business" means a small business concern whose size is no greater than 50 percent of the numerical size standard for the NAICS code designated.
"Forced or indentured child labor" means all work or service-

(1) Exacted from any person under the age of 18 under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily; or

(2) Performed by any person under the age of 18 pursuant to a contract the enforcement of which can be accomplished by process or penalties.

"Service-disabled veteran-owned small business concern"-

(1) Means a small business concern-

(i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and

(ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

(2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

"Small business concern" means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR part 121 and size standards in this solicitation.

"Veteran-owned small business concern" means a small business concern-

TIRNO-03-H-00001

(1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and

(2) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned business concern" means a concern which is at least 51 percent owned by one or more women; or in the case of any publicly owned business, at least 51 percent of its stock is owned by one or more women; and whose management and daily business operations are controlled by one or more women.

"Women-owned small business concern" means a small business concern-

(1) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

(2) Whose management and daily business operations are controlled by one or more women.

(b) *Taxpayer Identification Number (TIN)* (26 U.S.C. 6109, 31 U.S.C. 7701). (Not applicable if the offeror is required to provide this information to a central contractor registration database to be eligible for award.)

(1) All offerors must submit the information required in paragraphs (b)(3) through (b)(5) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the Internal Revenue Service (IRS).

(2) The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.

(3) Taxpayer Identification Number (TIN).

☐ TIN: _____.

☐ TIN has been applied for.

☐ TIN is not required because:

☐ Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;

☐ Offeror is an agency or instrumentality of a foreign government;

☐ Offeror is an agency or instrumentality of the Federal Government.

(4) Type of organization.

☐ Sole proprietorship;

☐ Partnership;

☐ Corporate entity (not tax-exempt);

☐ Corporate entity (tax-exempt);

☐ Government entity (Federal, State, or local);

☐ Foreign government;

☐ International organization per 26 CFR 1.6049-4;

☐ Other _____.

(5) Common parent.

☐ Offeror is not owned or controlled by a common parent;

☐ Name and TIN of common parent:

Name _____.

TIN _____.

(c) Offerors must complete the following representations when the resulting contract is to be performed inside the United States, its territories or possessions, Puerto Rico, the Trust Territory of the Pacific Islands, or the District of Columbia. Check all that apply.

(1) *Small business concern.* The offeror represents as part of its offer that it ☐ is, ☐ is not a small business concern.

(2) *Veteran-owned small business concern.* **[Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.]** The offeror represents as part of its offer that it ☐ is, ☐ is not a veteran-owned small business concern.

(3) *Service-disabled veteran-owned small business concern.* **[Complete only if the offeror represented itself as a veteran-owned small business concern in paragraph (c)(2) of this provision.]** The offeror represents as part of its offer that it ☐ is, ☐ is not a service-disabled veteran-owned small business concern.

(4) *Small disadvantaged business concern.* **[Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.]** The offeror represents, for general statistical purposes, that it ☐ is, ☐ is not a small disadvantaged business concern as defined in 13 CFR 124.1002.

(5) *Women-owned small business concern.* **[Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.]** The offeror represents that it ☐ is, ☐ is not a women-owned small business concern.

Note: Complete paragraphs (c)(6) and (c)(7) only if this solicitation is expected to exceed the simplified acquisition threshold.

(6) *Women-owned business concern (other than small business concern).* **[Complete only if the offeror is a women-owned business concern and did not represent itself as a small business concern in paragraph (c)(1) of this provision.]** The offeror represents that it ☐ is a women-owned business concern.

(7) *Tie bid priority for labor surplus area concerns.* If this is an invitation for bid, small business offerors may identify the labor surplus areas in which costs to be incurred on account of manufacturing or production (by offeror or first-tier subcontractors) amount to more than 50 percent of the contract price:

(8) *Small Business Size for the Small Business Competitiveness Demonstration Program and for the Targeted Industry Categories under the Small Business Competitiveness Demonstration Program.* **[Complete only if the offeror has represented itself to be a small business concern under the size standards for this solicitation.]**

(i) **[Complete only for solicitations indicated in an addendum as being set-aside for emerging small businesses in one of the four designated industry**

groups (DIGs).] The offeror represents as part of its offer that it ☐ is, ☐ is not an emerging small business.

(ii) **[Complete only for solicitations indicated in an addendum as being for one of the targeted industry categories (TICs) or four designated industry groups (DIGs).]** Offeror represents as follows:

(A) Offeror's number of employees for the past 12 months (check the Employees column if size standard stated in the solicitation is expressed in terms of number of employees); or

(B) Offeror's average annual gross revenue for the last 3 fiscal years (check the Average Annual Gross Number of Revenues column if size standard stated in the solicitation is expressed in terms of annual receipts). (Check one of the following):

Number of Employees	Average Annual Gross Revenues
<input type="checkbox"/> 50 or fewer	<input type="checkbox"/> \$1 million or less
<input type="checkbox"/> 51-100	<input type="checkbox"/> \$1,000,001-\$2 million
<input type="checkbox"/> 101-250	<input type="checkbox"/> \$2,000,001-\$3.5 million
<input type="checkbox"/> 251-500	<input type="checkbox"/> \$3,500,001-\$5 million
<input type="checkbox"/> 501-750	<input type="checkbox"/> \$5,000,001-\$10 million
<input type="checkbox"/> 751-1,000	<input type="checkbox"/> \$10,000,001-\$17 million
<input type="checkbox"/> Over 1,000	<input type="checkbox"/> Over \$17 million

(9) **[Complete only if the solicitation contains the clause at FAR 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns, or FAR 52.219-25, Small Disadvantaged Business Participation Program-Disadvantaged Status and Reporting, and the offeror desires a benefit based on its disadvantaged status.]**

(i) General. The offeror represents that either-

(A) It ☐ is, ☐ is not certified by the Small Business Administration as a small disadvantaged business concern and identified, on the date of this representation, as a certified small disadvantaged business concern in the database maintained by the

Small Business Administration (PRO-Net), and that no material change in disadvantaged ownership and control has occurred since its certification, and, where the concern is owned by one or more individuals claiming disadvantaged status, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); or

(B) It ☐ has, ☐ has not submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.

(ii) ☐ ***Joint Ventures under the Price Evaluation Adjustment for Small Disadvantaged Business Concerns.*** The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements in 13 CFR 124.1002(f) and that the representation in paragraph (c)(9)(i) of this provision is accurate for the small disadvantaged business concern that is participating in the joint venture. ***[The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture: _____.]***

(10) *HUBZone small business concern.* **[Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.]** The offeror represents, as part of its offer, that-

(i) It ☐ is, ☐ is not a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material change in ownership and control, principal office, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR part 126; and

(ii) It ☐ is, ☐ is not a joint venture that complies with the requirements of 13 CFR part 126, and the representation in paragraph (c)(10)(i) of this provision is accurate for the HUBZone small business concern or concerns that are participating in the joint venture. ***[The offeror shall enter the name or names of the HUBZone small business concern or concerns that are participating in the joint venture: _____.]***

Each HUBZone small business concern participating in the joint venture shall submit a separate signed copy of the HUBZone representation.

(d) Representations required to implement provisions of Executive Order 11246- (1) Previous contracts and compliance. The offeror represents that-

(i) It ☐ has, ☐ has not participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation; and

(ii) It ☐ has, ☐ has not filed all required compliance reports.

(2) Affirmative Action Compliance. The offeror represents that-

(i) It ☐ has developed and has on file, ☐ has not developed and does not have on file, at each establishment, affirmative action programs required by rules and regulations of the Secretary of Labor (41 CFR Parts 60-1 and 60-2), or

(ii) It ☐ has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

(e) *Certification Regarding Payments to Influence Federal Transactions (31 U.S.C. 1352).* **(Applies only if the contract is expected to exceed \$100,000.)** By submission of its offer, the offeror certifies to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress on his or her behalf in connection with the award of any resultant contract.

(f) *Buy American Act Certificate.* **(Applies only if the clause at Federal Acquisition Regulation (FAR) 52.225-1, Buy American Act-Supplies, is included in this solicitation.)**

(1) The offeror certifies that each end product, except those listed in paragraph (f)(2) of this provision, is a domestic end product as defined in the clause of this solicitation entitled "Buy American Act-Supplies" and that the offeror has considered components of unknown origin to have been mined, produced, or manufactured outside the United States. The offeror shall list as foreign end products those end products manufactured in the United States that do not qualify as domestic end products.

(2) Foreign End Products:

Line Item No.	Country of Origin

[List as necessary]

TIRNO-03-H-00001

(3) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25. (g)(1) Buy American Act-North American Free Trade Agreement-Israeli Trade Act Certificate. (Applies only if the clause at FAR 52.225-3, Buy American Act-North American Free Trade Agreement-Israeli Trade Act, is included in this solicitation.)

(i) The offeror certifies that each end product, except those listed in paragraph (g)(1)(ii) or (g)(1)(iii) of this provision, is a domestic end product as defined in the clause of this solicitation entitled "Buy American Act-North American Free Trade Agreement-Israeli Trade Act" and that the offeror has considered components of unknown origin to have been mined, produced, or manufactured outside the United States.

(ii) The offeror certifies that the following supplies are NAFTA country end products or Israeli end products as defined in the clause of this solicitation entitled "Buy American Act-North American Free Trade Agreement-Israeli Trade Act":
NAFTA Country or Israeli End Products:

Line Item No.	Country of Origin

[List as necessary]

(iii) The offeror shall list those supplies that are foreign end products (other than those listed in paragraph (g)(1)(ii) of this provision) as defined in the clause of this solicitation entitled "Buy American Act-North American Free Trade Agreement-Israeli Trade Act." The offeror shall list as other foreign end products those end products manufactured in the United States that do not qualify as domestic end products.

Other Foreign End Products:

Line Item No.	Country of Origin

[List as necessary]

TIRNO-03-H-00001

(iv) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25. (2) Buy American Act-North American Free Trade Agreements-Israeli Trade Act Certificate, Alternate I (May 2002). If Alternate I to the clause at FAR 52.225-3 is included in this solicitation, substitute the following paragraph (g)(1)(ii) for paragraph (g)(1)(ii) of the basic provision: (g)(1)(ii) The offeror certifies that the following supplies are Canadian end products as defined in the clause of this solicitation entitled "Buy American Act-North American Free Trade Agreement-Israeli Trade Act":
Canadian End Products:

Line Item No.

[List as necessary]

(3) *Buy American Act-North American Free Trade Agreements-Israeli Trade Act Certificate, Alternate II (May 2002)*. If Alternate II to the clause at FAR 52.225-3 is included in this solicitation, substitute the following paragraph (g)(1)(ii) for paragraph (g)(1)(ii) of the basic provision: (g)(1)(ii) The offeror certifies that the following supplies are Canadian end products or Israeli end products as defined in the clause of this solicitation entitled "Buy American Act-North American Free Trade Agreement-Israeli Trade Act":

Canadian or Israeli End Products:

Line Item No.	Country of Origin

[List as necessary]

(4) *Trade Agreements Certificate. (Applies only if the clause at FAR 52.225-5, Trade Agreements, is included in this solicitation.)*

(i) The offeror certifies that each end product, except those listed in paragraph (g)(4)(ii) of this provision, is a U.S.-made, designated country, Caribbean Basin country, or NAFTA country end product, as defined in the clause of this solicitation entitled "Trade Agreements."

(ii) The offeror shall list as other end products those end products that are not U.S.-made, designated country, Caribbean Basin country, or NAFTA country end products.

Other End Products:

Line Item No.	Country of Origin

[List as necessary]

(iii) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25. For line items subject to the Trade Agreements Act, the Government will evaluate offers of U.S.-made, designated country, Caribbean Basin country, or NAFTA country end products without regard to the restrictions of the Buy American Act. The Government will consider for award only offers of U.S.-made, designated country, Caribbean Basin country, or NAFTA country end products unless the Contracting Officer determines that there are no offers for such products or that the offers for such products are insufficient to fulfill the requirements of the solicitation.

(h) *Certification Regarding Debarment, Suspension or Ineligibility for Award (Executive Order 12549). (Applies only if the contract value is expected to exceed the simplified acquisition threshold.)* The offeror certifies, to the best of its knowledge and belief, that the offeror and/or any of its principals-

(1) ☐ Are, ☐ are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency; and

(2) ☐ Have, ☐ have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(3) ☐ Are, ☐ are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with, commission of any of these offenses.

(i) *Certification Regarding Knowledge of Child Labor for Listed End Products (Executive Order 13126).* **[The Contracting Officer must list in paragraph (i)(1) any end products being acquired under this solicitation that are included in the List of Products Requiring Contractor Certification as to Forced or Indentured Child Labor, unless excluded at 22.1503(b).]**

(1) Listed end products.

Listed End Product	Listed Countries of Origin

(2) Certification. [If the Contracting Officer has identified end products and countries of origin in paragraph (i)(1) of this provision, then the offeror must certify to either (i)(2)(i) or (i)(2)(ii) by checking the appropriate block.]

[☐] (i) The offeror will not supply any end product listed in paragraph (i)(1) of this provision that was mined, produced, or manufactured in the corresponding country as listed for that product.

[☐] (ii) The offeror may supply an end product listed in paragraph (i)(1) of this provision that was mined, produced, or manufactured in the corresponding country as listed for that product. The offeror certifies that it has made a good faith effort to determine whether forced or indentured child labor was used to mine, produce, or manufacture any such end product furnished under this contract. On the basis of those efforts, the offeror certifies that it is not aware of any such use of child labor. (End of provision)

TIRNO-03-H-00001

Alternate I (Apr 2002). As prescribed in 12.301(b)(2), add the following paragraph (c)(11) to the basic provision:

(11) (Complete if the offeror has represented itself as disadvantaged in paragraph (c)(4) or (c)(9) of this provision.)

[The offeror shall check the category in which its ownership falls]:

_____ Black American.

_____ Hispanic American.

_____ Native American (American Indians, Eskimos, Aleuts, or Native Hawaiians).

_____ Asian-Pacific American (persons with origins from Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Japan, China, Taiwan, Laos, Cambodia (Kampuchea), Vietnam, Korea, The Philippines, U.S. Trust Territory of the Pacific Islands (Republic of Palau), Republic of the Marshall Islands, Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, Guam, Samoa, Macao, Hong Kong, Fiji, Tonga, Kiribati, Tuvalu, or Nauru).

_____ Subcontinent Asian (Asian-Indian) American (persons with origins from India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands, or Nepal).

_____ Individual/concern, other than one of the preceding.

Alternate II (Oct 2000). As prescribed in 12.301(b)(2), add the following paragraph (c)(9)(iii) to the basic provision:

(iii) Address. The offeror represents that its address ☐ is, ☐ is not in a region for which a small disadvantaged business procurement mechanism is authorized and its address has not changed since its certification as a small disadvantaged business concern or submission of its application for certification. The list of authorized small disadvantaged business procurement mechanisms and regions is posted at <http://www.arnet.gov/References/sdbadjustments.htm>.

The offeror shall use the list in effect on the date of this solicitation. "Address," as used in this provision, means the address of the offeror as listed on the Small Business Administration's register of small disadvantaged business concerns or the address on the completed application that the concern has submitted to the Small Business Administration or a Private Certifier in accordance with 13 CFR part 124, subpart B. For joint ventures, "address" refers to the address of the small disadvantaged business concern that is participating in the joint venture.

2. COMPLIANCE WITH VETERAN'S EMPLOYMENT REPORTING REQUIREMENTS

- (a) The Offeror represents that, if it is subject to the reporting requirements of 38 U.S.C. 4212(d)(i.e. the VETS-100 report required by the Federal Acquisition Regulation clause 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era), it has [], has not [] submitted the most recent report required by 38 U.S.C. 4212(d).
- (b) An Offeror who checks "has not" may not be awarded a contract until the required reports are filed. (31 U.S.C. 1354).

3. CERTIFICATION

TO BE COMPLETED BY THE OFFEROR: (The Offeror must check or complete all appropriate boxes or blanks in the Representations and Certifications, on the preceding pages).

The Representations and Certifications must be executed by an individual authorized to bind the offeror.

The offeror makes the foregoing Representations and Certifications as part of its proposal.

(Name of Offeror) (Solicitation No.)

(Signature of Authorized Individual) (Date)

(Typed Name of Authorized Individual)

Note: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.